

SCHEDULE A

**FINAL 2016/17 ANNUAL BUDGET AND
SUPPORTING DOCUMENTATION OF
VULAMEHLO LOCAL MUNICIPALITY**

FINAL ANNUAL BUDGET
OF
VULAMEHLO LOCAL MUNICIPALITY



2016/2017 TO 2018/2019

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Abbreviations and Acronyms

AMR	Automated Meter Reading	ℓ	litre
ASGISA	Accelerated and Shared Growth Initiative	LED	Local Economic Development
BPC	Budget Planning Committee	MEC	Member of the Executive Committee
CBD	Central Business District	MFMA	Municipal Financial Management Act Programme
CFO	Chief Financial Officer	MIG	Municipal Infrastructure Grant
CM	City Manager	MMC	Member of Mayoral Committee
CPI	Consumer Price Index	MPRA	Municipal Properties Rates Act
CRRF	Capital Replacement Reserve Fund	MSA	Municipal Systems Act
DBSA	Development Bank of South Africa	MTEF	Medium-term Expenditure Framework
DoRA	Division of Revenue Act	MTREF	Medium-term Revenue and Expenditure Framework
DWA	Department of Water Affairs	NERSA	National Electricity Regulator South Africa
EE	Employment Equity	NGO	Non-Governmental organisations
EEDSM	Energy Efficiency Demand Side Management	NKPIs	National Key Performance Indicators
EM	Executive Mayor	OHS	Occupational Health and Safety
FBS	Free basic services	OP	Operational Plan
GAMAP	Generally Accepted Municipal Accounting Practice	PBO	Public Benefit Organisations
GDP	Gross domestic product	PHC	Provincial Health Care
GDS	Gauteng Growth and Development Strategy	PMS	Performance Management System
GFS	Government Financial Statistics	PPE	Property Plant and Equipment
GRAP	General Recognised Accounting Practice	PPP	Public Private Partnership
HR	Human Resources	PTIS	Public Transport Infrastructure System
HSRC	Human Science Research Council	RG	Restructuring Grant
IDP	Integrated Development Strategy	RSC	Regional Services Council
IT	Information Technology	SALGA	South African Local Government Association
kl	kilolitre	SAPS	South African Police Service
km	kilometre	SDBIP	Service Delivery Budget Implementation Plan
KPA	Key Performance Area	SMME	Small Micro and Medium Enterprises
KPI	Key Performance Indicator		
kWh	kilowatt		

Part 1 – Annual Budget

1.1 MAYORS REPORT

MAYORAL FINAL BUDGET SPEECH

It gives me great pleasure to present before you the 2016/2017 Final Annual Budget for this municipality. This Budget was drawn up with full understanding of the fact that only one quarter of it will be implemented by this municipality under its status as a legitimate municipality. The period of its implementation under the name of Vulamehlo Municipality will come to an end on the date of local government election to take place during 2016/2017 financial year. The remaining three quarters of it will then be consolidated with that of Umdoni and EThekweni Municipalities where 35% of it will be consolidated to eThekweni Municipality and 65% consolidated with that of Umdoni Municipality.

Due to geographical location of this municipality, generating its own revenue have always been a mammoth task since its inception for about 15 years ago. The municipality is 100% rural based and no proper rates base that could yield rates income enough to provide funding for services rendered to community. This municipality had always been 96% dependent on government grants. The national government initiated the disestablishment of this municipality for the benefit of the community within areas of its jurisdiction.

In the division of revenue for 2016/17 financial year, this municipality never received allocation. The funding used in completing this budget was obtained as a percentage of allocation made to Umdoni Municipality. The Umdoni Municipality received bigger grants allocations for this financial year which was assumed that the allocation for Vulamehlo had already been combined with that of Umdoni Municipality. In terms of circular 79, CPI was 6.6%.

We hope that with this draft budget we will be able to deliver services in an equitable manner until this municipality is finally disestablished.

I thank you.

CLLR WT DUBE
MAYOR- VULAMEHLO MUNICIPALITY

1.2 COUNCIL RESOLUTIONS

VULAMEHLO MUNICIPALITY

AN EXTRACT FROM THE MINUTES OF THE COUNCIL MEETING HELD ON 31 MAY 2016

7.2 FINAL BUDGET FOR 2016/2017 FINANCIAL YEAR

The Municipal Manager took the meeting through the above item and advised that in terms of Section 24 of the Municipal Finance Management Act, the Mayor of the Municipality must table the annual budget at Council meeting for approval at least 30 days before the start of the Financial Year. He further explained that Council has considered the comments from all stakeholders in the finalization of the budget.

After lengthy deliberations,

RESOLVED

7.2.1 That the annual capital and operating budgets of the Municipality for the financial year 2016/2016 be **adopted** as set out in the following schedules:

- a) Budgeted Financial Performance Summary by Revenue Source and Expenditure Category for all Departments as reflected in Annexure 1.
- b) Budgeted Financial Performance – Revenue and expenditure by departments as reflected in Annexure 2.
- c) Budgeted and Financial Performance – Revenue and expenditure by municipal vote as reflected in Annexure 3.
- d) Budgeted Financial Performance – revenue and expenditure by line item as reflected in Annexure 4.
- e) Budgeted Capital Expenditure by vote, GFS classification and funding as reflected in Annexure 5 and
- f) Budgeted Capital Expenditure by line item as reflected in Annexure 6.

7.2.2 That the Tariff of charges reflected in the attached document be **adopted** for 2016/2017 financial year.

- 7.2.3 That the 2015/2016 property rates randages be adopted for the 2016/2017 financial year.
- 7.2.4 That A1 budget tables as presented be adopted.
- 7.2.5 That the Provincial Treasury's comments be noted.
- 7.2.6 That the no amendments made to all the budget related policies be adopted.
- 7.2.7 That the MFMA Circular 82 on cost containment measures be adopted by Council.
- 7.2.8 That the mSCOA project plan.
- 7.2.9 That the attached service level standards for 2016/2017 financial year be adopted.

CERTIFIED AS A TRUE COPY OF THE ORIGINAL



MH ZULU
MUNICIPAL MANAGER

1.3 EXECUTIVE SUMMARY

The main objective of a municipal budget is to allocate realistically expected resources to the service delivery goals or performance objectives identified as priorities in the approved IDP.

The budget was made possible through continuous consultation with the local community, the relevant government departments and the internal departments of the Municipality to ensure that the priorities are properly aligned and addressed and other sister municipalities.

It is Council's responsibility to ensure that its budget complies with the following three criteria, i.e.:

- ☐ Sustainability, to ensure that the municipality has sufficient revenue and adequate corporate and financial stability to fund and deliver on its budget.
- ☐ Credibility, to ensure that the municipality, with its ability and capacity to spend, deliver in terms of its budget.
- ☐ Governance, that the Municipality has appropriate capacity and stability to ensure the long term sustainability of service delivery.

FINANCIAL SUMMARY ON 2016/2017

The total budget amounts for the 2016/17 year is R125 312 837. This comprised of R79m towards operating expenditure and R46m towards capital Expenditure programmes.

OPERATING BUDGET

Comprises the following:

i) OPERATING REVENUE BUDGET

New Government Grants-R120m

Miscellaneous Income-R2m

Billable Income- R3.5m

ii) OPERATING EXPENDITURE BUDGET

Employee Related Costs-R20m

Council Remuneration-R7m

Contracted services-R6m

Other expenditure-R8m

Depreciation-R12m

Debt Impairment-R2m

Repairs and Maintenance-R8m

Equitable Share Special Programmes-R6m

Conditional Grants Programmes-R10m

The Total Operating Revenue and Expenditure budget for 2016/2017 financial year was R69m made from government grants 96%, Rates 3% and Other charge for 1%.

CAPITAL BUDGET

Capital budget for 2016/17 is largely funded from KZN COGTA by providing the following grant funding towards infrastructure development.

i) MUNICIPAL INFRASTRUCTURE GRANT-R16m

ii) DISASTER GRANT-R30m

Both these grants contribute 40% percent of our 2016/2017 budget.

1.4 ANNUAL BUDGET TABLES

The following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2016/2017 budget and MTREF as approved by the Council. Each table is accompanied by *explanatory notes*.

KZN211 Vulamehlo - Table A1 Budget Summary

Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousands										
Financial Performance										
Property rates	1 824	2 237	2 234	2 369	2 234	2 234	–	3 162	3 352	3 553
Service charges	–	–	–	–	–	–	–	–	–	–
Investment revenue	482	856	1 523	700	2 060	2 060	–	2 000	2 120	2 247
Transfers recognised - operational	44 556	45 055	59 422	84 532	82 675	82 675	–	73 450	77 857	82 529
Other own revenue	628	403	509	382	1 107	1 107	–	324	344	364
Total Revenue (excluding capital transfers and contributions)	47 490	48 550	63 688	87 983	88 076	88 076	–	78 936	83 673	88 693
Employee costs	13 406	15 355	17 655	20 090	19 354	19 354	–	19 862	21 054	22 317
Remuneration of councillors	6 665	6 684	7 818	6 712	6 521	6 521	–	6 900	7 315	7 753
Depreciation & asset impairment	9 609	15 472	11 516	11 979	11 979	11 979	–	11 746	12 451	13 198
Finance charges	330	299	259	144	–	–	–	9	10	10
Materials and bulk purchases	–	–	–	–	–	–	–	–	–	–
Transfers and grants	6 379	7 995	8 140	5 103	5 103	5 103	–	8 700	8 480	8 989
Other expenditure	18 666	15 990	19 765	56 037	56 856	56 856	–	31 625	33 523	35 534
Total Expenditure	55 056	61 796	65 152	100 066	99 815	99 815	–	78 843	82 832	87 802
Surplus/(Deficit)	(7 566)	(13 246)	(1 464)	(12 083)	(11 738)	(11 738)	–	93	841	891
Transfers recognised - capital	11 568	21 799	12 050	38 560	34 960	34 960	–	46 376	49 159	52 109
Contributions recognised - capital & contributed	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	4 002	8 553	10 587	26 477	23 222	23 222	–	46 469	50 000	53 000
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	4 002	8 553	10 587	26 477	23 222	23 222	–	46 469	50 000	53 000
Capital expenditure & funds sources										
Capital expenditure	12 483	19 526	10 755	39 530	35 364	35 364	–	46 469	49 258	52 213
Transfers recognised - capital	12 483	19 526	10 755	38 060	34 460	34 460	–	46 469	49 258	52 213
Public contributions & donations	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	–	–	–	1 470	904	904	–	–	–	–
Total sources of capital funds	12 483	19 526	10 755	39 530	35 364	35 364	–	46 469	49 258	52 213
Financial position										
Total current assets	19 589	17 714	34 452	8 369	35 303	35 303	–	54 259	57 515	60 966
Total non current assets	122 286	126 517	125 575	165 797	161 631	161 584	–	196 254	208 030	220 511
Total current liabilities	16 985	10 589	15 714	8 842	8 842	8 842	–	5 776	6 123	6 490
Total non current liabilities	1 014	1 067	1 153	1 084	1 084	1 084	–	501	531	563
Community wealth/Equity	123 876	132 574	143 161	164 240	187 008	186 962	–	244 236	258 890	274 424
Cash flows										
Net cash from (used) operating	22 827	16 120	33 706	43 381	45 955	45 955	–	58 548	62 061	65 784
Net cash from (used) investing	(12 656)	(19 579)	(10 440)	(23 568)	(35 364)	(35 364)	–	(46 369)	(49 151)	(52 100)
Net cash from (used) financing	(1 660)	(548)	(323)	–	(500)	(500)	–	–	–	–
Cash/cash equivalents at the year end	12 780	8 773	31 716	22 547	41 807	10 091	–	53 985	66 894	80 578
Cash backing/surplus reconciliation										
Cash and investments available	12 780	8 773	31 716	6 759	34 455	34 455	–	53 985	57 224	60 658
Application of cash and investments	10 114	3 530	784	7 858	8 410	7 937	–	6 091	6 457	6 844
Balance - surplus (shortfall)	2 666	5 243	30 932	(1 099)	26 045	26 518	–	47 894	50 767	53 813
Asset management										
Asset register summary (WDV)	122 117	126 347	125 406	165 797	161 631	161 584	196 254	196 254	208 030	220 511
Depreciation & asset impairment	9 609	15 472	11 516	11 979	11 979	11 979	11 746	11 746	12 451	13 198
Renewal of Existing Assets	–	–	–	20 000	20 000	20 000	20 000	30 000	31 800	33 708
Repairs and Maintenance	1 089	407	616	7 544	8 028	8 028	8 065	8 065	8 549	9 062
Free services										
Cost of Free Basic Services provided	–	–	–	–	–	–	–	–	–	–
Revenue cost of free services provided	–	–	–	52	40	40	–	–	45	48
Households below minimum service level										
Water:	7	6	–	6	6	6	6	6	6	6
Sanitation/sew erage:	2	2	–	2	2	2	2	2	2	2
Energy:	10	9	–	9	9	9	9	9	9	9
Refuse:	–	16	–	16	16	16	16	16	16	16

Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the Municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasized the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 1. The operating surplus
 2. Capital expenditure is balanced by capital funding sources, of which
 - i) Transfers recognized is reflected on the Financial Performance Budget;
 - ii) Internally generated funds is financed from a combination of the current operating surplus, accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.
4. All budgeted line items in this budget was cash backed.
5. There was no increase on tariffs charges as the current rate Randages are higher than Umdoni Municipality's rate Randages.
6. Other expenditure line items were escalated by 6%. Salaries of both staff and councilors were escalated by 7.5% due to funds constraint.
7. No budget provision for Finance Interns since all of them already completed their 2 years internship program.
8. No provision for vacant positions in all departments.
9. Any requirement for additional staff capacity in BTO between July 2017 until announcement of audit outcome for 2015/2016 audit, funding will be sourced from SLA line item of budget and from FMG grant

Table 2 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

KZN211 Vulamehlo - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1									
Revenue - Standard										
Governance and administration		42 203	47 689	57 712	55 531	53 950	53 950	59 684	63 265	67 061
Executive and council		6 665	6 684	-	17 494	16 698	16 698	17 169	18 199	19 291
Budget and treasury office		35 537	41 005	57 712	13 839	12 612	12 612	20 429	21 655	22 954
Corporate services		-	-	-	24 198	24 640	24 640	22 086	23 411	24 816
Community and public safety		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		16 855	22 660	18 027	71 012	69 086	69 086	65 629	69 567	73 741
Planning and development		16 855	22 660	18 027	-	-	-	-	-	-
Road transport		-	-	-	71 012	69 086	69 086	65 629	69 567	73 741
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	59 058	70 349	75 738	126 543	123 036	123 036	125 313	132 832	140 802
Expenditure - Standard										
Governance and administration		43 890	47 114	53 038	66 514	64 859	64 859	57 353	60 794	64 441
Executive and council		6 665	6 684	14 550	17 541	16 677	16 677	16 569	17 563	18 617
Budget and treasury office		37 225	40 430	38 488	24 630	24 105	24 105	20 305	21 523	22 814
Corporate services		-	-	-	24 343	24 077	24 077	20 479	21 708	23 010
Community and public safety		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		11 166	14 682	12 114	33 552	34 955	34 955	21 491	22 038	23 361
Planning and development		11 166	14 682	12 114	-	-	-	-	-	-
Road transport		-	-	-	33 552	34 955	34 955	21 491	22 038	23 361
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	55 056	61 796	65 152	100 066	99 815	99 815	78 843	82 832	87 802
Surplus/(Deficit) for the year		4 002	8 553	10 587	26 477	23 222	23 222	46 469	50 000	53 000

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes
2. Total Revenue by standard classification must reconcile to Total Operating Revenue shown in Budgeted Financial Performance (revenue and expenditure)
3. Total Expenditure by Standard Classification must reconcile to Total Operating Expenditure shown in Budgeted Financial Performance (revenue and expenditure)
4. All amounts must be classified under a standard classification (modified GFS). The GFS function 'Other' is only for Abbatoirs, Air Transport, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

check oprev balance	-	-	-	-	-	-	-	-	-	-
check opexp balance	-	-	-	-	-	-	-	-	-	-

Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas, Vulamehlo Municipality having 5 Functional areas namely Municipal Manager Office, Budget and treasury services, Corporate Services, Technical Services and Council. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note the Total Revenue on this table includes capital revenues (Transfers recognized—capital) and so does not balance to the operating revenue shown on Table A4.

MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

KZN211 Vulamehlo - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand										
Revenue by Vote	1									
Council		6 665	70 349	75 738	9 246	10 395	10 395	9 120	9 668	10 248
Municipal Manager		-	-	-	8 249	6 303	6 303	8 048	8 531	9 043
Budget and Treasury		35 537	-	-	13 839	12 612	12 612	20 429	21 655	22 954
Corporate services		-	-	-	24 198	24 640	24 640	22 086	23 411	24 816
Technical services		16 855	-	-	71 012	69 086	69 086	65 629	69 567	73 741
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	59 058	70 349	75 738	126 543	123 036	123 036	125 313	132 832	140 802
Expenditure by Vote to be appropriated	1									
Council		6 665	61 796	65 152	9 246	10 375	10 375	9 320	9 880	10 472
Municipal Manager		-	-	-	8 295	6 302	6 302	7 248	7 683	8 144
Budget and Treasury		37 225	-	-	24 630	24 105	24 105	20 305	21 523	22 814
Corporate services		-	-	-	24 343	24 077	24 077	20 479	21 708	23 010
Technical services		11 166	-	-	33 552	34 955	34 955	21 491	22 038	23 361
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	55 056	61 796	65 152	100 066	99 815	99 815	78 843	82 832	87 802
Surplus/(Deficit) for the year	2	4 002	8 553	10 587	26 477	23 222	23 222	46 469	50 000	53 000

References

1. Insert 'Vote'; e.g. department, if different to standard classification structure
2. Must reconcile to Budgeted Financial Performance (revenue and expenditure)
3. Assign share in 'associate' to relevant Vote

check Surplus/(Deficit) for the year

- - - - -

Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

1. Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the Municipality. This means it is possible to present the operating surplus or deficit of a vote.

Table A4 MBRR Table A4- Budgeted Financial Performance (revenue and expenditure)

KZN211 Vulamehlo - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description		Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
R thousand		1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue By Source												
Property rates	2		1 824	2 237	2 234	2 369	2 234	2 234	-	2 412	2 557	2 710
Property rates - penalties & collection charges										750	795	843
Service charges - electricity revenue	2		-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2		-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2		-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2		-	-	-	-	-	-	-	-	-	-
Service charges - other												
Rental of facilities and equipment			197	260	271	297	282	282		296	314	333
Interest earned - external investments			482	856	1 523	700	2 060	2 060		2 000	2 120	2 247
Interest earned - outstanding debtors							762	762		12	13	13
Dividends received												
Fines												
Licences and permits												
Agency services												
Transfers recognised - operational			44 556	45 055	59 422	84 532	82 675	82 675		73 450	77 857	82 529
Other revenue	2		309	143	103	85	63	63	-	16	17	18
Gains on disposal of PPE			122		135							
Total Revenue (excluding capital transfers and contributions)			47 490	48 550	63 688	87 983	88 076	88 076	-	78 936	83 673	88 693
Expenditure By Type												
Employee related costs	2		13 406	15 355	17 655	20 090	19 354	19 354	-	19 862	21 054	22 317
Remuneration of councillors			6 665	6 684	7 818	6 712	6 521	6 521		6 900	7 315	7 753
Debt impairment	3		1 305	62	761	938	1 700	1 700		2 234	2 368	2 510
Depreciation & asset impairment	2		9 609	15 472	11 516	11 979	11 979	11 979	-	11 746	12 451	13 198
Finance charges			330	299	259	144				9	10	10
Bulk purchases	2		-	-	-	-	-	-	-	-	-	-
Other materials	8											
Contracted services			273	100	693	3 869	5 986	5 986	-	3 150	3 339	3 539
Transfers and grants			6 379	7 995	8 140	5 103	5 103	5 103	-	8 700	8 480	8 989
Other expenditure	4, 5		17 089	15 807	18 311	51 231	49 170	49 170	-	26 241	27 816	29 485
Loss on disposal of PPE				22								
Total Expenditure			55 056	61 796	65 152	100 066	99 815	99 815	-	78 843	82 832	87 802
Surplus/(Deficit)			(7 566)	(13 246)	(1 464)	(12 083)	(11 738)	(11 738)	-	93	841	891
Transfers recognised - capital			11 568	21 799	12 050	38 560	34 960	34 960		46 376	49 159	52 109
Contributions recognised - capital	6		-	-	-	-	-	-	-	-	-	-
Contributed assets												
Surplus/(Deficit) after capital transfers & contributions			4 002	8 553	10 587	26 477	23 222	23 222	-	46 469	50 000	53 000
Taxation												
Surplus/(Deficit) after taxation			4 002	8 553	10 587	26 477	23 222	23 222	-	46 469	50 000	53 000
Attributable to minorities												
Surplus/(Deficit) attributable to municipality			4 002	8 553	10 587	26 477	23 222	23 222	-	46 469	50 000	53 000
Share of surplus/ (deficit) of associate	7											
Surplus/(Deficit) for the year			4 002	8 553	10 587	26 477	23 222	23 222	-	46 469	50 000	53 000

References

1. Classifications are revenue sources and expenditure type
2. Detail to be provided in Table SA1
3. Previously described as 'bad or doubtful debts' - amounts shown should reflect the change in the provision for debt impairment
4. Expenditure type components previously shown under repairs and maintenance should be allocated back to the originating expenditure group/item; e.g. employee costs
5. Repairs & maintenance detailed in Table A9 and Table SA34c
6. Contributions are funds provided by external organisations to assist with infrastructure development; e.g. developer contributions (detail to be provided in Table SA1)
7. Equity method
8. All materials not part of 'bulk' e.g. road making materials, pipe, cable etc.

check balance	-	-	-	-	-	-	-	-	-	-	-
Total revenue	59 058	70 349	75 738	126 543	123 036	123 036			125 313	132 832	140 802

Explanatory notes to Table A4 MBRR Table A4- Budgeted Financial Performance (revenue and expenditure)

1. Total revenue has remained unchanged because there was no proposal for rates increase for 2016/17 financial year.
2. Revenue to be generated from property rates is almost R2.4 million for the 2016/17 financial year which represents only 3 percent of the operating revenue base of the Municipality and therefore remains an insignificant funding source for the municipality.
3. Transfers recognized – operating includes the local government equitable share and other operating grants from national and provincial government. It needs to be noted that in real terms the grants receipts from national government are growing rapidly over the MTREF. Government grants are the main sources of the municipality's revenue since it totals to 96 percent which makes our municipality grants dependent.

Table MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

KZN211 Vulamehlo - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Council		-	-	-	-	-	-	-	-	-	-
Municipal Manager		-	-	-	-	-	-	-	-	-	-
Budget and Treasury		-	-	-	-	-	-	-	-	-	-
Corporate services		-	-	-	-	-	-	-	-	-	-
Technical services		-	-	-	-	-	-	-	-	-	-
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
Council		-	-	-	-	20	20	-	-	-	-
Municipal Manager		-	-	-	127	34	34	-	-	-	-
Budget and Treasury		319	287	43	44	30	30	-	-	-	-
Corporate services		-	-	-	1 050	570	570	-	-	-	-
Technical services		12 165	19 239	10 712	38 310	34 710	34 710	-	46 369	49 151	52 100
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		12 483	19 526	10 755	39 530	35 364	35 364	-	46 369	49 151	52 100
Total Capital Expenditure - Vote		12 483	19 526	10 755	39 530	35 364	35 364	-	46 369	49 151	52 100
Capital Expenditure - Standard											
Governance and administration		319	287	43	1 220	654	654	-	-	-	-
Executive and council					127	54	54				
Budget and treasury office		319	287	43	44	30	30				
Corporate services					1 050	570	570				
Community and public safety		-	-	-	-	-	-	-	-	-	-
Community and social services											
Sport and recreation											
Public safety											
Housing											
Health											
Economic and environmental services		12 165	19 239	10 712	38 310	34 710	34 710	-	46 469	49 258	52 213
Planning and development		12 165	19 239	10 712	18 310	14 710	14 710				
Road transport					20 000	20 000	20 000		46 469	49 258	52 213
Environmental protection											
Trading services		-	-	-	-	-	-	-	-	-	-
Electricity											
Water											
Waste water management											
Waste management											
Other											
Total Capital Expenditure - Standard	3	12 483	19 526	10 755	39 530	35 364	35 364	-	46 469	49 258	52 213
Funded by:											
National Government		12 483	19 526	10 755	38 060	34 460	34 460		46 469	49 258	52 213
Provincial Government											
District Municipality											
Other transfers and grants											
Transfers recognised - capital	4	12 483	19 526	10 755	38 060	34 460	34 460	-	46 469	49 258	52 213
Public contributions & donations	5										
Borrowing	6										
Internally generated funds					1 470	904	904				
Total Capital Funding	7	12 483	19 526	10 755	39 530	35 364	35 364	-	46 469	49 258	52 213

References

- Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).
- Include capital component of PPP unitary payment. Note that capital transfers are only appropriated to municipalities for the budget year
- Capital expenditure by standard classification must reconcile to the appropriations by vote
- Must reconcile to supporting table SA20 and to Budgeted Financial Performance (revenue and expenditure)

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. In relation to multi-year appropriations there is no budget allocated since the municipality does not have multi-year capital projects.

Single-year capital expenditure has been appropriated at R23,489 million for the 2014/2015 financial year and increases over the MTREF at levels of R39,530 million in 2015/2016 and increased to R46 million for 2016/2017 including R30 million for disaster recovery capital projects and R16 million from MIG.

3. The single-year appropriations relate to expenditure that will be incurred in the specific budget year such as construction of access roads, crèche, community halls, and sports grounds, procurement of vehicles, plant and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the Municipality. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years.
4. The capital programmes are funded from capital and national grants and transfers.

Table 6 MBRR Table A6 - Budgeted Financial Position

KZN211 Vulamehlo - Table A6 Budgeted Financial Position

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
ASSETS											
Current assets											
Cash		3 265	660	5 577	2 966				9 717	10 300	10 918
Call investment deposits	1	9 516	8 113	26 139	3 793	34 455	34 455	-	44 268	46 924	49 739
Consumer debtors	1	362	1 333	1 280	1 610	848	848	-	274	291	308
Other debtors		6 446	7 608	1 456							
Current portion of long-term receivables											
Inventory	2										
Total current assets		19 589	17 714	34 452	8 369	35 303	35 303	-	54 259	57 515	60 966
Non current assets											
Long-term receivables		169	169	169							
Investments											
Investment property			185	185							
Investment in Associate											
Property, plant and equipment	3	121 956	126 115	125 209	165 750	161 584	161 584	-	196 207	207 980	220 459
Agricultural											
Biological											
Intangible		160	47	13	47	47			47	50	53
Other non-current assets											
Total non current assets		122 286	126 517	125 575	165 797	161 631	161 584	-	196 254	208 030	220 511
TOTAL ASSETS		141 875	144 231	160 027	174 166	196 934	196 887	-	250 514	265 544	281 477
LIABILITIES											
Current liabilities											
Bank overdraft	1										
Borrowing	4	1 259	760	254	500	500	500	-	-	-	-
Consumer deposits											
Trade and other payables	4	14 427	8 276	13 342	8 342	8 342	8 342	-	5 776	6 123	6 490
Provisions		1 299	1 553	2 118							
Total current liabilities		16 985	10 589	15 714	8 842	8 842	8 842	-	5 776	6 123	6 490
Non current liabilities											
Borrowing		650	602	784	611	611	611	-	-	-	-
Provisions		364	466	369	473	473	473	-	501	531	563
Total non current liabilities		1 014	1 067	1 153	1 084	1 084	1 084	-	501	531	563
TOTAL LIABILITIES		17 999	11 657	16 866	9 926	9 926	9 926	-	6 277	6 654	7 053
NET ASSETS	5	123 876	132 574	143 161	164 240	187 008	186 962	-	244 236	258 890	274 424
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		123 713	132 411	142 997	164 077	186 845	186 798	(143 324)	244 073	258 727	274 260
Reserves	4	163	163	163	163	163	163	143 324	163	163	163
TOTAL COMMUNITY WEALTH/EQUITY	5	123 876	132 574	143 161	164 240	187 008	186 962	-	244 236	258 890	274 424

References

1. Detail to be provided in Table SA3
2. Include completed low cost housing to be transferred to beneficiaries within 12 months
3. Include 'Construction-work-in-progress' (disclosed separately in annual financial statements)
4. Detail to be provided in Table SA3. Includes reserves to be funded by statute.
5. Net assets must balance with Total Community Wealth/Equity

check balance

Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).

2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. Table SA3 is supported by an extensive table of notes providing a detailed analysis of the major components of a number of items, including:
 - 3.1 Call investments deposits;
 - 3.2 Consumer debtors;
 - 3.3 Property, plant and equipment;
 - 3.4 Trade and other payables;
 - 3.5 Provisions non-current;
 - 3.6 Changes in net assets; and
 - 3.7 Reserves
4. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
5. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.

Table 7 MBRR Table A7 - Budgeted Cash Flow Statement

KZN211 Vulamehlo - Table A7 Budgeted Cash Flows

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates, penalties & collection charges		1 056	971	967	1 253	1 253	1 253		2 057	2 180	2 311
Service charges		–	–	–	–	–	–		–	–	–
Other revenue		506	539	9 738	382	345	345		312	331	351
Government - operating	1	51 731	59 526	74 420	84 532	82 675	82 675		63 035	66 817	70 826
Government - capital	1	11 568			38 560	34 960	34 960		46 369	49 151	52 100
Interest		482	856	1 523	700	2 822	2 822		2 000	2 120	2 247
Dividends									–	–	–
Payments											
Suppliers and employees		(42 185)	(45 472)	(52 684)	(81 902)	(75 957)	(75 957)		(55 116)	(58 423)	(61 929)
Finance charges		(330)	(299)	(259)	(144)	(144)	(144)		(9)	(10)	(10)
Transfers and Grants	1								(100)	(106)	(112)
NET CASH FROM/(USED) OPERATING ACTIVITIES		22 827	16 120	33 706	43 381	45 955	45 955	–	58 548	62 061	65 784
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		808	33	320	15 963				–	–	–
Decrease (Increase) in non-current debtors									–	–	–
Decrease (increase) other non-current receivables		387	–						–	–	–
Decrease (increase) in non-current investments									–	–	–
Payments											
Capital assets		(13 852)	(19 612)	(10 760)	(39 530)	(35 364)	(35 364)		(46 369)	(49 151)	(52 100)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(12 656)	(19 579)	(10 440)	(23 568)	(35 364)	(35 364)	–	(46 369)	(49 151)	(52 100)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									–	–	–
Borrowing long term/refinancing									–	–	–
Increase (decrease) in consumer deposits									–	–	–
Payments											
Repayment of borrowing		(1 660)	(548)	(323)		(500)	(500)		–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		(1 660)	(548)	(323)	–	(500)	(500)	–	–	–	–
NET INCREASE/ (DECREASE) IN CASH HELD		8 511	(4 007)	22 943	19 813	10 091	10 091	–	12 179	12 909	13 684
Cash/cash equivalents at the year begin:	2	4 269	12 780	8 773	2 733	31 716			41 807	53 985	66 894
Cash/cash equivalents at the year end:	2	12 780	8 773	31 716	22 547	41 807	10 091	–	53 985	66 894	80 578

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less
3. The MTREF is populated directly from SA30.

Total receipts	66 539	61 925	86 969	141 389	122 055	122 055	–	113 774	120 600	127 836
Total payments	(56 367)	(65 384)	(63 703)	(121 576)	(111 464)	(111 464)	–	(101 595)	(107 691)	(114 152)
	10 171	(3 459)	23 266	19 813	10 591	10 591	–	12 179	12 909	13 684
Borrowings & investments & c.deposits	–	–	–	–	–	–	–	–	–	–
Repayment of borrowing	(1 660)	(548)	(323)	–	(500)	(500)	–	–	–	–
	8 511	(4 007)	22 943	19 813	10 091	10 091	–	12 179	12 909	13 684
	–	–	–	–	–	–	–	–	–	–

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.

Table 8 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

KZN211 Vulamehlo - Table A8 Cash backed reserves/accumulated surplus reconciliation

2016/17 Medium Term Revenue & Expenditure Framework												
Description		Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework			
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Cash and investments available												
Cash/cash equivalents at the year end	1		12 780	8 773	31 716	22 547	41 807	10 091	–	53 985	66 894	80 578
Other current investments > 90 days			–	–	0	(15 788)	(7 351)	24 364	–	–	(9 670)	(19 920)
Non current assets - Investments	1		–	–	–	–	–	–	–	–	–	–
Cash and investments available:			12 780	8 773	31 716	6 759	34 455	34 455	–	53 985	57 224	60 658
Application of cash and investments												
Unspent conditional transfers			10 156	3 113	5 776	3 160	3 160	3 160	–	5 776	6 123	6 490
Unspent borrowing			–	–	–	–	–	–	–	–	–	–
Statutory requirements	2		–	–	–	–	–	–	–	–	–	–
Other working capital requirements	3		(405)	(49)	(5 361)	4 225	4 777	4 777	–	(186)	(197)	(209)
Other provisions			364	466	369	473	473	–	–	501	531	563
Long term investments committed	4		–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5		–	–	–	–	–	–	–	–	–	–
Total Application of cash and investments:			10 114	3 530	784	7 858	8 410	7 937	–	6 091	6 457	6 844
Surplus(shortfall)			2 666	5 243	30 932	(1 099)	26 045	26 518	–	47 894	50 767	53 813

References

1. Must reconcile with Budgeted Cash Flows
2. For example: VAT, taxation
3. Council approval for policy required - include sufficient working capital (e.g. allowing for a % of current debtors > 90 days as uncollectable)
4. For example: sinking fund requirements for borrowing
5. Council approval required for each reserve created and basis of cash backing of reserves

Other working capital requirements

Debtors	4 676	5 212	11 923	957	405	405	–	186	197	209
Creditors due	4 271	5 163	6 562	5 182	5 182	5 182	–	–	–	–
Total	405	49	5 361	(4 225)	(4 777)	(4 777)	–	186	197	209

Debtors collection assumptions

Balance outstanding - debtors	6 978	9 110	2 905	1 610	848	848	–	274	291	308
Estimate of debtors collection rate	67,0%	57,2%	410,4%	59,4%	47,8%	47,8%	0,0%	68,0%	68,0%	68,0%

Long term investments committed

Balance (Insert description; eg sinking fund)

Reserves to be backed by cash/investments

Housing Development Fund	–	–	–	–	–	–	–	–	–	–
Capital replacement										
Self-insurance										
Other (list)										

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. The cash and investments available exceed the applications, the municipality budget has been “funded”.

Table 9 MBRR Table A9 - Asset Management

KZN211 Vulamehlo - Table A9 Asset Management

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	12 483	19 526	10 755	19 530	15 364	15 364	16 369	17 351	18 392
Infrastructure - Road transport		8 078	9 909	2 642	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		8 078	9 909	2 642	-	-	-	-	-	-
Community		4 087	8 385	6 933	18 310	14 460	14 460	16 369	17 351	18 392
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	313	1 218	1 174	1 220	904	904	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		6	13	5	-	-	-	-	-	-
Total Renewal of Existing Assets	2	-	-	-	20 000	20 000	20 000	30 000	31 800	33 708
Infrastructure - Road transport		-	-	-	20 000	20 000	20 000	30 000	31 800	33 708
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	20 000	20 000	20 000	30 000	31 800	33 708
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	-	-	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	8 078	9 909	2 642	20 000	20 000	20 000	30 000	31 800	33 708
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		8 078	9 909	2 642	20 000	20 000	20 000	30 000	31 800	33 708
Community		4 087	8 385	6 933	18 310	14 460	14 460	16 369	17 351	18 392
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		313	1 218	1 174	1 220	904	904	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		6	13	5	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	2	12 483	19 526	10 755	39 530	35 364	35 364	46 369	49 151	52 100
ASSET REGISTER SUMMARY - PPE (WDV)	5									
Infrastructure - Road transport		37 898	44 837	44 255	73 296	73 296	73 296	103 012	109 192	115 744
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		37 898	44 837	44 255	73 296	73 296	73 296	103 012	109 192	115 744
Community		78 311	75 517	75 214	86 727	83 127	83 127	88 877	94 210	99 862
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	185	185	-	-	-	-	-	-
Other assets		5 747	5 761	5 740	5 726	5 160	5 160	4 319	4 578	4 853
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		160	47	13	47	47	-	47	50	53
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	122 117	126 347	125 406	165 797	161 631	161 584	196 254	208 030	220 511
EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment	3	9 609	15 472	11 516	11 979	11 979	11 979	11 746	12 451	13 198
Repairs and Maintenance by Asset Class		1 089	407	616	7 544	8 028	8 028	8 065	8 549	9 062
Infrastructure - Road transport		1 089	407	616	7 544	8 028	8 028	7 274	7 711	8 173
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		1 089	407	616	7 544	8 028	8 028	7 274	7 711	8 173
Community		-	-	-	-	-	-	500	530	562
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6, 7	-	-	-	-	-	-	291	308	327
TOTAL EXPENDITURE OTHER ITEMS		10 698	15 879	12 132	19 524	20 007	20 007	19 811	21 000	22 260
Renewal of Existing Assets as % of total capex		0,0%	0,0%	0,0%	50,6%	56,6%	56,6%	64,7%	64,7%	64,7%
Renewal of Existing Assets as % of deprechn		0,0%	0,0%	0,0%	167,0%	167,0%	167,0%	255,4%	255,4%	255,4%
R&M as a % of PPE		0,9%	0,3%	0,5%	4,6%	5,0%	5,0%	4,1%	4,1%	4,1%
Renewal and R&M as a % of PPE		1,0%	0,0%	0,0%	17,0%	17,0%	17,0%	19,0%	19,0%	19,0%

Explanatory notes to Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE. Renewal of existing assets has been budgeted at 12% percent of the total capital budget of 2016/17 financial year.

Table MBRR Table A10 - Basic Service Delivery Measurement

KZN211 Vulamehlo - Table A10 Basic service delivery measurement

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Household service targets	1									
Water:										
Piped water inside dwelling		–	807	–	825	825	825	825	825	825
Piped water inside yard (but not in dwelling)		204	1 291	–	1 300	1 300	1 300	1 300	1 300	1 300
Using public tap (at least min.service level)	2	–	–	–	–	–	–	–	–	–
Other water supply (at least min.service level)	4	8 892	8 229	–	8 000	8 000	8 000	8 000	8 000	8 000
<i>Minimum Service Level and Above sub-total</i>		9 096	10 327	–	10 125	10 125	10 125	10 125	10 125	10 125
Using public tap (< min.service level)	3	6 665	5 808	–	5 810	5 810	5 810	5 810	5 810	5 810
Other water supply (< min.service level)	4	374	–	–	200	200	200	200	200	200
No water supply		–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>		7 039	5 808	–	6 010	6 010	6 010	6 010	6 010	6 010
Total number of households	5	16 135	16 135	–	16 135	16 135	16 135	16 135	16 135	16 135
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		444	452	–	480	480	480	480	480	480
Flush toilet (with septic tank)		325	323	–	395	395	395	395	395	395
Chemical toilet		2 857	2 856	–	2 875	2 875	2 875	2 875	2 875	2 875
Pit toilet (ventilated)		4 421	4 421	–	4 445	4 445	4 445	4 445	4 445	4 445
Other toilet provisions (> min.service level)		6 154	6 147	–	6 185	6 185	6 185	6 185	6 185	6 185
<i>Minimum Service Level and Above sub-total</i>		14 201	14 199	–	14 380	14 380	14 380	14 380	14 380	14 380
Bucket toilet		523	516	–	395	395	395	395	395	395
Other toilet provisions (< min.service level)		716	710	–	685	685	685	685	685	685
No toilet provisions		695	710	–	675	675	675	675	675	675
<i>Below Minimum Service Level sub-total</i>		1 934	1 936	–	1 755	1 755	1 755	1 755	1 755	1 755
Total number of households	5	16 135	16 135	–	16 135	16 135	16 135	16 135	16 135	16 135
Energy:										
Electricity (at least min.service level)		–	–	–	–	–	–	–	–	–
Electricity - prepaid (min.service level)		5 951	6 951	–	7 000	7 000	7 000	7 000	7 000	7 000
<i>Minimum Service Level and Above sub-total</i>		5 951	6 951	–	7 000	7 000	7 000	7 000	7 000	7 000
Electricity (< min.service level)		–	–	–	–	–	–	–	–	–
Electricity - prepaid (< min. service level)		–	–	–	–	–	–	–	–	–
Other energy sources		10 184	9 184	–	9 135	9 135	9 135	9 135	9 135	9 135
<i>Below Minimum Service Level sub-total</i>		10 184	9 184	–	9 135	9 135	9 135	9 135	9 135	9 135
Total number of households	5	16 135	16 135	–	16 135	16 135	16 135	16 135	16 135	16 135
Refuse:										
Removed at least once a week		–	274	–	274	274	274	–	–	–
<i>Minimum Service Level and Above sub-total</i>		–	274	–	274	274	274	–	–	–
Removed less frequently than once a week		–	161	–	161	161	161	161	161	161
Using communal refuse dump		–	412	–	412	412	412	412	412	412
Using own refuse dump		–	12 973	–	12 973	12 973	12 973	12 973	12 973	12 973
Other rubbish disposal		–	242	–	242	242	242	242	242	242
No rubbish disposal		–	2 073	–	2 073	2 073	2 073	2 073	2 073	2 073
<i>Below Minimum Service Level sub-total</i>		–	15 861	–	15 861	15 861	15 861	15 861	15 861	15 861
Total number of households	5	–	16 135	–	16 135	16 135	16 135	15 861	15 861	15 861
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		–	–	–	–	–	–	–	–	–
Sanitation (free minimum level service)		–	–	–	–	–	–	–	–	–
Electricity/other energy (50kwh per household per month)		–	–	–	–	–	–	–	–	–
Refuse (removed at least once a week)		–	–	–	–	–	–	–	–	–
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitres per indigent household per month)		–	–	–	–	–	–	–	–	–
Sanitation (free sanitation service to indigent households)		–	–	–	–	–	–	–	–	–
Electricity/other energy (50kwh per indigent household per month)		–	–	–	–	–	–	–	–	–
Refuse (removed once a week for indigent households)		–	–	–	–	–	–	–	–	–
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		–	–	–	–	–	–	–	–	–
Total cost of FBS provided		–	–	–	–	–	–	–	–	–
Highest level of free service provided per household										
Property rates (R value threshold)										
Water (kilolitres per household per month)										
Sanitation (kilolitres per household per month)										
Electricity (kwh per household per month)										
Refuse (average litres per week)										
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)										
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		–	–	–	52	40	40	–	45	48
Water (in excess of 6 kilolitres per indigent household per month)		–	–	–	–	–	–	–	–	–
Sanitation (in excess of free sanitation service to indigent households)		–	–	–	–	–	–	–	–	–
Electricity/other energy (in excess of 50 kwh per indigent household per month)		–	–	–	–	–	–	–	–	–
Refuse (in excess of one removal a week for indigent households)		–	–	–	–	–	–	–	–	–
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other										
Total revenue cost of subsidised services provided	6	–	–	–	52	40	40	–	45	48

Explanatory notes to Table A10 - Basic Service Delivery Measurement

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.
2. The municipality does not provide services such as water, sanitation, energy and refuse removal.
3. Water and sanitation is provided by UGu District municipality; energy is supplied by Eskom.
4. Currently there is no refuse removal in the municipality.

Part 2 – Supporting Documentation

Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the MMC for Finance.

The primary aims of the Budget Steering Committee is to ensure:

1. that the process followed to compile the budget complies with legislation and good budget practices;
2. that there is proper alignment between the policy and service delivery priorities set out in the Municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
3. that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
4. that the various spending priorities of the different municipal departments are properly evaluated and prioritized in the allocation of resources.

Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2014) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required IDP and budget time schedule on August 2014. Key dates applicable to the process were:

1. **July 2015** – Prepare joint process plan for IDP, PMS and Budget and advertise draft IDFP review;
2. **August 2015**–Submit process plan to IDP forum, portfolio committees and council. Liaise with national and provincial governments for planning and budgeting process;
3. **September 2015**– Assessment of objectives, strategies and projects against cross cutting issues. Assessment of alignment of IDP strategies & projects for medium term in relation to NSDP and PGDF. Determine funding availability & requirements per sector plan and where relevant prepare business plan/ terms of reference and roll out accordingly;
4. **October 2015**– Review and confirm objectives, strategies and projects at IDPRF workshop. Review capital, institutional, operational, maintenance projects. Estimate available resources and provide guidance for way forward for budgeting;
5. **November 2015**–Submit revised projects to Treasury. Submit first Draft IDP to IDP steering committee and council for in principle approval

6. **December 2015** – Submit budget instructions and 2016/17 budget framework to all relevant persons. Submit draft IDP to COGTA for assessment. Preparation of summary of available funds (internal and external);
7. **January 2016** - Council considers the 2016/17 Mid-year Review and Adjustments Budget;
8. **February 2016**– Assess financial feasibility of proposed new projects based on existing and potential funds. Consideration of draft budget;
9. **March 2016**- Tabling in Council of the draft 2016/17 IDP and 2016/17 MTREF for public consultation;
10. **April 2016**– Public consultation;
11. **May 2016**–finalisation of the 2016/17 IDP and 2016/17 MTREF, taking into consideration comments received from the public, comments from National Treasury, and updated information from the most recent Division of Revenue Bill and financial framework; and tabling of the 2016/17MTREF before Council for consideration and approval.

There were no deviations from the key dates set out in the Budget Time Schedule tabled in Council.

IDP and Service Delivery and Budget Implementation Plan

The Municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the fifth revision cycle included the following key IDP processes and deliverables:

1. Registration of community needs;
2. Compilation of departmental business plans including key performance indicators and targets;
3. Financial planning and budgeting process;
4. Public participation process;
5. Compilation of the SDBIP, and
6. The review of the performance management and monitoring processes.

The IDP has been taken into a business and financial planning process leading up to the 2016/2017 MTREF, based on the approved 2015/2016 MTREF, Mid-year Review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2016/17 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2015/16 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

Financial Modelling and Key Planning Drivers

As part of the compilation of the 2016/17 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2016/17 MTREF:

1. Municipality growth
2. Policy priorities and strategic objectives
3. Asset maintenance
4. Economic climate and trends (i.e inflation)
5. Performance trends
6. The approved 2015/16 adjustments budget and performance against the SDBIP
7. Cash Flow Management Strategy
8. Debtor payment levels
9. Investment possibilities
10. The need for tariff increases versus the ability of the community to pay for services;
11. Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 78 and 79 has been taken into consideration in the planning and prioritisation process.

Community Consultation

Community consultation were to be conducted in April 2016, scheduled izimbizo to take place in all wards, as well as the draft budget will be advertised on the website and newspapers. Extensive public consultation will be concluded and public comments and input considered.

Overview of alignment of annual budget with IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five-year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning

provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the Municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the Municipality's strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the Municipality's response to these requirements.

The national and provincial priorities, policies and strategies of importance include amongst others:

1. Green Paper on National Strategic Planning of 2009;
2. Government Programme of Action;
3. Development Facilitation Act of 1995;
4. Provincial Growth and Development Strategy (GGDS);
5. National and Provincial spatial development perspectives;
6. Relevant sector plans such as transportation, legislation and policy;
7. National Key Performance Indicators (NKPis);
8. Accelerated and Shared Growth Initiative (ASGISA);
9. National 2014 Vision;
10. National Spatial Development Perspective (NSDP) and
11. The National Priority Outcomes.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's six strategic objectives for the 2016/17 MTREF and further planning refinements that have directly informed the compilation of the budget:

Table 11 IDP Strategic Objectives

2016/17 Financial Year	
1.	Financial Viability
2.	Basic Service delivery and infrastructure
3.	Good governance and public participation
4.	Local economic Development
5.	Municipal transformation and institutional development
6.	Spatial analysis and environmental management

In order to ensure integrated and focused service delivery between all spheres of government it was important for the Municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the Municipality. The five-year programme responds to the development challenges and opportunities faced by the Municipality by identifying the key performance areas to achieve the five the strategic objectives mentioned above.

In addition to the five-year IDP, the municipality undertakes an extensive planning and developmental strategy which primarily focuses on a longer-term horizon; 15 to 20 years. This process is aimed at influencing the development path by proposing a substantial programme of public-led investment to restructure current patterns of settlement, activity and access to resources in the Municipality so as to promote greater equity and enhanced opportunity. It provides direction to the Municipality's IDP, associated sectoral plans and strategies, and the allocation of resources of the Municipality and other service delivery partners.

The 2016/17 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

Table 12 MBRR Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue

KZN211 Vulamehlo - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand												
Institutional Transformation and Organisational Development							24 198	24 640	24 640	20 429	21 655	22 954
Basic Service delivery and infrastructure Development				16 855			71 012	69 086	69 086	65 629	69 567	73 741
Local economic Development											-	-
Financial Viability and Management				35 416			13 839	12 612	12 612	22 086	23 411	24 816
Good Governance and Public Participation							8 249	6 303	6 303	8 048	8 531	9 043
Municipal transformation and institutional development				6 787	70 349	75 738	9 246	10 395	10 395	9 120	9 668	10 248
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	59 059	70 349	75 738	126 543	123 037	123 037	125 313	132 831	140 801

Table 13 MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure

KZN211 Vulamehlo - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand												
Institutional Transformation and Organisational Development					61 796	65 152	24 343	24 077	24 077	20 479	21 708	23 010
Basic Service delivery and infrastructure Development				11 166			33 552	34 955	34 955	21 591	22 886	24 259
Local economic Development											–	–
Financial Viability and Management				37 225			24 630	24 105	24 105	20 305	21 523	22 814
Good Governance and Public Participation							9 246			9 320	9 880	10 472
Municipal transformation and institutional development				6 665			8 295	10 375 6 302	10 375 6 302	7 148	6 835	7 245

Table 14MBRR Table SA6 - Reconciliation between the IDP strategic objectives and budgeted capital expenditure

KZN211 Vulamehlo - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Annex 1: Performance - Supporting Table 1: Reconciliation of 12/13 Strategic Objectives and Budget (Capital Expenditure)												
Strategic Objective	Goal	Goal Code	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand												
Institutional Transformation and Organisational Development		A						20	20			
Basic Service delivery and infrastructure Development		B										
Local economic Development		C		12 165	19 239	10 712	38 310	34 710	34 710	46 369	49 151	52 100
Financial Viability and Management		D										
Good Governance and Public Participation		E		319	287	43	44	30	30			
Municipal transformation and institutional development		F					127	34	34			
		G					1 050	570	570			
		H										
		I										
		J										
		K										
		L										
		M										
		N										
		O										
		P										
Allocations to other priorities			3									
Total Capital Expenditure			1	12 483	19 526	10 755	39 530	35 364	35 364	46 369	49 151	52 100

Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the Municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assesses and reviews organisational performance which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly during the last stage, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages.

The performance of the Municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The Municipality therefore has adopted one integrated performance management system which encompasses:

1. Planning (setting goals, objectives, targets and benchmarks);
2. Monitoring (regular monitoring and checking on the progress against plan);
3. Measurement (indicators of success);
4. Review (identifying areas requiring change and improvement);
5. Reporting (what information, to whom, from whom, how often and for what purpose); and
6. Improvement (making changes where necessary).

The performance information concepts used by the Municipality in its integrated performance management system are aligned to the **Framework of Managing Programme Performance Information** issued by the National Treasury:

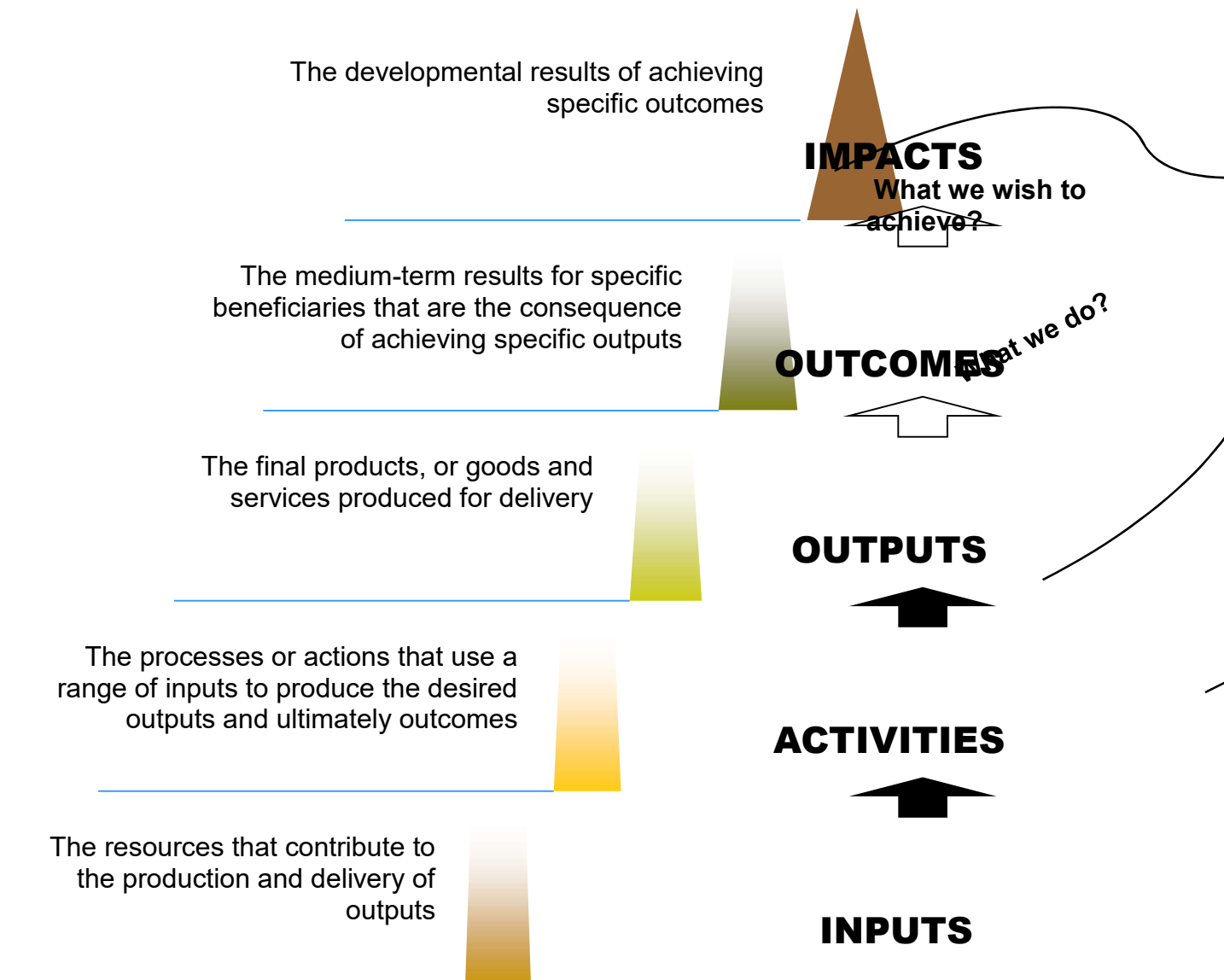


Figure 1 Definition of performance information concepts

The following table sets out the municipalities main performance objectives and benchmarks for the 2016/17 MTREF.

Table 15 MBRR Table SA8 - Performance indicators and benchmarks

KZN211 Vulamehlo - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
<u>Borrowing Management</u>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	3.6%	1.4%	0.9%	0.1%	0.5%	0.5%	0.0%	0.0%	0.0%	0.0%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	67.8%	24.2%	13.6%	4.2%	9.3%	9.3%	0.0%	0.2%	0.2%	0.2%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>											
Gearing	Long Term Borrowing/ Funds & Reserves	398.0%	368.2%	479.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	1.2	1.7	2.2	0.9	4.0	4.0	–	9.4	9.4	9.4
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.2	1.7	2.2	0.9	4.0	4.0	–	9.4	9.4	9.4
Liquidity Ratio	Monetary Assets/Current Liabilities	0.8	0.8	2.0	0.8	3.9	3.9	–	9.3	9.3	9.3
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		79.1%	43.4%	43.3%	52.9%	56.1%	56.1%	0.0%	68.9%	68.9%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		57.9%	43.4%	43.3%	52.9%	56.1%	56.1%	0.0%	68.9%	68.9%	68.9%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	14.7%	18.8%	4.6%	1.8%	1.0%	1.0%	0.0%	0.4%	0.4%	0.4%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										

Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))										
Creditors to Cash and Investments		33.4%	58.8%	20.7%	23.0%	12.4%	51.4%	0.0%	0.0%	0.0%	0.0%
Other Indicators											
Electricity Distribution Losses (2)	Total Volume Losses (kW)										
	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Distribution Losses (2)	Total Volume Losses (kℓ)										
	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Employee costs	Employee costs/(Total Revenue - capital revenue)	28.2%	31.6%	27.7%	22.8%	22.0%	22.0%	0.0%	28.7%	28.7%	28.7%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	132.5%	45.4%	40.0%	30.5%	29.4%	29.4%		38.7%	38.7%	38.7%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	2.3%	0.8%	1.0%	0.0%	0.0%	0.0%		8.3%	0.0%	0.0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	20.9%	32.5%	18.5%	13.8%	13.6%	13.6%	0.0%	17.0%	17.0%	17.0%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	2.1	1.9	6.1	1.0	1.0	1.0	–	2.5	2.5	2.7
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	336.8%	358.1%	109.2%	60.4%	33.7%	33.7%	0.0%	8.4%	8.4%	8.4%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	5.6	3.7	11.1	5.2	9.5	2.3	–	15.0	17.6	19.9

References

1. Consumer debtors > 12 months old are excluded from current assets
2. Only include if services provided by the municipality

Calculation data

Debtors > 90 days

Monthly fixed operational expenditure	2,263	2,356	2,849	4,354	4,394	4,394	–	3,595	3,810	4,039
Fixed operational expenditure % assumption	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%
Own capex	–	–	–	1,470	904	904	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–

Overview of budget related-policies

The Municipality's budgeting process for 2016/2017 was prepared under strict watchful eye and guidance of KZN COGTA and the established Change Management Committee since Vulamehlo was one of the municipalities affected by ward re-demarcation process. All policies for Vulamehlo will only be reviewed for alignment with that of Umdoni municipality and adopted as such on 31 May 2017. Policies such as follows:

a) Asset Management policy

A proxy for asset consumption can be considered the level of depreciation each asset incurs on an annual basis.

Preserving the investment in existing infrastructure needs to be considered a significant strategy in ensuring the future sustainability of infrastructure.

The Asset Management Policy is considered a strategic guide in ensuring a sustainable approach to asset renewal, repairs and maintenance and is utilised as a guide to the selection and prioritisation of individual capital projects. In addition, the policy prescribes the accounting and administrative policies and procedures relating to property, plant and equipment (fixed assets).

b) Supply Chain Management Policy

To ensure transparency, fairness, efficiency and accountability in the supply of goods and services to the municipality, the Supply Chain Management Policy was adopted by Council in April 2014.

c) Review of Budget Policy

The Budget Policy was tabled together with the budget and adopted on 30 May 2015. The Budget Policy aims to empower senior managers with an efficient financial and budgetary amendment and control system to ensure optimum service delivery within the legislative framework of the MFMA and the Municipality's system of delegations.

d) Cash Management and Investment Policy

The aim of the policy is to ensure that the Municipality's surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves. The policy details the minimum cash and cash equivalents required at any point in time and introduces time frames to achieve certain benchmarks.

e) Tariff Policies

The Municipality's tariff policies provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery. The policies have been approved on various dates and a consolidated tariff policy is envisaged to be compiled for ease of administration and implementation.

Overview of budget assumptions

External factors

Domestically, a majority of our community is unemployed, which 66 per cent of the population. With economic development we will expect a small growth of employed people of about 2.1% within the 2015/16 financial year.

Owing to the economic slowdown, financial resources are limited due to reduced payment levels by consumers. This has resulted in declining cash inflows, which has necessitated restrained expenditure to ensure that cash outflows remain within the affordability parameters of the Municipality's finances.

General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2016/17 MTREF:

1. National Government macro-economic targets;
2. The general inflationary outlook and the impact on Municipality's residents and businesses;
3. The impact of municipal cost drivers;
4. The increase in the cost of remuneration.

Collection rate for revenue services

The rate of revenue collection is currently expressed as a percentage (54 per cent) of annual billings. Cash flow is assumed to be 54 per cent of billings. The performance of arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored.

Salary increases

National treasury circular 79 pronounced CPI as 6.6% and +-1% was added on top of CPI to arrive at the salary escalation of 7.5% for 2016/17 financial year.

Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and in this regard various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

1. Creating jobs;
2. Infrastructure development;
3. Enhancing education and skill development;
4. Improving Health services;
5. Rural development and agriculture; and
6. Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the

achievement of the national, provincial and local objectives.

Overview of budget funding

Medium Term revenue

Vulamehlo Municipality mainly depends on government grants and subsidies.

Investment revenue contributes 1 per cent to the revenue base of the municipality with a budget allocation of R700 000, R750 000 and R750 000 for the respective three financial years of the 2016/17 MTREF. The actual performance against budget will be carefully monitored. Any variances in this regard will be addressed as part of the mid-year review and adjustments budget.

The tables below provide d investment information and investment particulars by maturity.

Table 16 MBRR SA15 – Detail Investment Information

KZN211 Vulamehlo - Supporting Table SA15 Investment particulars by type

Investment type	Re f	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand										
<u>Parent municipality</u>										
Securities - National Government										
Listed Corporate Bonds										
Deposits – Bank		9,516	8,113	26,139	3,793	34,455	34,455	44,268	46,924	49,739

Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	9,516	8,113	26,139	3,793	34,455	34,455	44,268	46,924	49,739
Entities										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Entities sub-total		-	-	-	-	-	-	-	-	-
Consolidated total:		9,516	8,113	26,139	3,793	34,455	34,455	44,268	46,924	49,739

References

1. Total investments must reconcile to Budgeted Financial Position ('current' call investment deposits plus 'non-current' investments)

check investment balance - - - - - - - - - -

Table 17 MBRR SA16 – Investment particulars by maturity

KZN211 Vulamehlo - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	R ef	Period of Invest ment	Type of Invest ment	Capita l Guara ntee (Yes/ No)	Varia ble or Fixe d inter est rate	Inter est Rate 3.	Commis sion Paid (Rands)	Commis sion Recipie nt	Expiry date of invest ment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Name of institution & investment ID	1	Yrs/Mo nths												
Parent municipality														
Standard Bank			32 days call	yes	variable	5.80 %	nil	nil	n/a	34,455	2,000		7,813	44,268
														-
														-
														-
														-
														-
Municipality sub-total										34,455		-	7,813	44,268
Entities														
														-
														-
														-
														-
														-
														-
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	1									34,455		-	7,813	44,268

References

- 1. Total investments must reconcile to all items in Table SA15 for the Current Year (30 June)
 - 2. List investments in expiry date order
 - 3. If 'variable' is selected in column F, input interest rate range
 - 4. Withdrawals to be entered as negative
- check

Medium-term outlook: capital revenue

The Municipality’s capital budget is funded by the Municipal Infrastructure Grant and.

The Municipal Infrastructure Grant for the MTREF is R16 million and R17 million for respective years.

Table18 MBRR Table SA 18 - Capital transfers and grant receipts

KZN211 Vulamehlo - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand										
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		44 556	41 384	58 638	76 532	74 675	74 675	73 450	69 377	73 540
Local Government Equitable Share		35 481	34 172	48 657	62 870	62 870	62 870	61 647	65 345	69 266
Finance Management		1 384	1 767	1 800	1 875	1 875	1 875	1 957	2 074	2 198
Municipal Systems Improvement		801	890	934	930	930	930			
Integrated National Electrification Programme		5 000	4 556	6 667	8 000	8 000	8 000	8 000		
EPWP Incentive				580	1 000	1 000	1 000	985	1 044	1 107
Municipal Infrastructure Grant (MIG)		1 890						862	914	968
Democration Transition Grant					1 857					
Provincial Government:		–	–	–	8 000	8 000	8 000	–	–	–
Missification programme Grant					8 000	8 000	8 000			
Democration Transition Grant			–							
District Municipality:		–	–	–	–	–	–	–	–	–
<i>[insert description]</i>					–					
Other grant providers:		–	3 671	784	–	–	–	–	–	–
<i>Disaster grant</i>			2 252	248	–					
			1 419	536						
Total Operating Transfers and Grants	5	44 556	45 055	59 422	84 532	82 675	82 675	73 450	69 377	73 540
Capital Transfers and Grants										
National Government:		11 568	21 799	12 050	38 560	34 960	34 960	46 376	49 159	52 109
Municipal Infrastructure Grant (MIG)		11 568	21 799	12 050	18 560	14 960	14 960	16 376	17 359	18 401
Disaster Grant					20 000	20 000	20 000	30 000	31 800	33 708
Provincial Government:		–	–	–	–	–	–	–	–	–
Other capital transfers/grants <i>[insert description]</i>										
District Municipality:		–	–	–	–	–	–	–	–	–
<i>[insert description]</i>										
Other grant providers:		–	–	–	–	–	–	–	–	–
<i>Disaster grant</i>										
Total Capital Transfers and Grants	5	11 568	21 799	12 050	38 560	34 960	34 960	46 376	49 159	52 109
TOTAL RECEIPTS OF TRANSFERS & GRANTS		56 124	66 854	71 472	123 092	117 635	117 635	119 827	118 536	125 649

Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understandability for councilors and management. Some specific features include:

1. Clear separation of receipts and payments within each cash flow category;
2. Clear separation of capital and operating receipts from government, which also enables cash from 'Ratepayers and
3. other' to be provide for as cash inflow based on actual performance. In other words, the *actual collection rate* of billed
4. revenue., and
5. Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding
6. the use of long term borrowing (debt).

Table19 MBRR Table A7 - Budget cash flow statement

KZN211 Vulamehlo - Table A7 Budgeted Cash Flows

Description		Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates, penalties & collection charges			1 056	971	967	1 253	1 253	1 253		2 057	2 180	2 311
Service charges			–	–		–	–	–		–	–	–
Other revenue			506	539	9 738	382	345	345		312	331	351
Government - operating		1	51 731	59 526	74 420	84 532	82 675	82 675		63 035	66 817	70 826
Government - capital		1	11 568			38 560	34 960	34 960		46 369	49 151	52 100
Interest			482	856	1 523	700	2 822	2 822		2 000	2 120	2 247
Dividends										–	–	–
Payments												
Suppliers and employees			(42 185)	(45 472)	(52 684)	(81 902)	(75 957)	(75 957)		(55 116)	(58 423)	(61 929)
Finance charges			(330)	(299)	(259)	(144)	(144)	(144)		(9)	(10)	(10)
Transfers and Grants		1								(100)	(106)	(112)
NET CASH FROM/(USED) OPERATING ACTIVITIES			22 827	16 120	33 706	43 381	45 955	45 955	–	58 548	62 061	65 784
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE			808	33	320	15 963				–	–	–
Decrease (Increase) in non-current debtors										–	–	–
Decrease (increase) other non-current receivables			387	–						–	–	–
Decrease (increase) in non-current investments										–	–	–
Payments												
Capital assets			(13 852)	(19 612)	(10 760)	(39 530)	(35 364)	(35 364)		(46 369)	(49 151)	(52 100)
NET CASH FROM/(USED) INVESTING ACTIVITIES			(12 656)	(19 579)	(10 440)	(23 568)	(35 364)	(35 364)	–	(46 369)	(49 151)	(52 100)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans										–	–	–
Borrowing long term/refinancing										–	–	–
Increase (decrease) in consumer deposits										–	–	–
Payments												
Repayment of borrowing			(1 660)	(548)	(323)		(500)	(500)		–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES			(1 660)	(548)	(323)	–	(500)	(500)	–	–	–	–
NET INCREASE/ (DECREASE) IN CASH HELD			8 511	(4 007)	22 943	19 813	10 091	10 091	–	12 179	12 909	13 684
Cash/cash equivalents at the year begin:		2	4 269	12 780	8 773	2 733	31 716			41 807	53 985	66 894
Cash/cash equivalents at the year end:		2	12 780	8 773	31 716	22 547	41 807	10 091	–	53 985	66 894	80 578

Cash Backed Reserves/Accumulated Surplus Reconciliation

This following table meets the requirements of MFMA Circular 42 which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA. The table seeks to answer three key questions regarding the use and availability of cash:

1. What are the predicted cash and investments that are available at the end of the budget year?
2. How are those funds used?
3. What is the net funds available or funding shortfall?

A surplus would indicate the cash-backed accumulated surplus that was/is available. A shortfall (applications > cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality's budget must be 'funded'. Non-compliance with section 18 is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded (budgeted spending is greater than funds available or to be collected). It is also important to analyse trends to understand the consequences, e.g. the budget year might indicate a small surplus situation, which in itself is an appropriate outcome, but if in prior years there were much larger surpluses then this negative trend may be a concern that requires closer examination.

Table 20 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation

KZN211 Vulamehlo - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description		Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Cash and investments available												
Cash/cash equivalents at the year end		1	12 780	8 773	31 716	22 547	41 807	10 091	–	53 985	66 894	80 578
Other current investments > 90 days			–	–	0	(15 788)	(7 351)	24 364	–	–	(9 670)	(19 920)
Non current assets - Investments		1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:			12 780	8 773	31 716	6 759	34 455	34 455	–	53 985	57 224	60 658
Application of cash and investments												
Unspent conditional transfers			10 156	3 113	5 776	3 160	3 160	3 160	–	5 776	6 123	6 490
Unspent borrowing			–	–	–	–	–	–	–	–	–	–
Statutory requirements		2										
Other working capital requirements		3	(405)	(49)	(5 361)	4 225	4 777	4 777	–	(186)	(197)	(209)
Other provisions			364	466	369	473	473			501	531	563
Long term investments committed		4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments		5										
Total Application of cash and investments:			10 114	3 530	784	7 858	8 410	7 937	–	6 091	6 457	6 844
Surplus(shortfall)			2 666	5 243	30 932	(1 099)	26 045	26 518	–	47 894	50 767	53 813

Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA. Each of the measures is discussed below.

Table 21 MBRR SA10 – Funding compliance measurement

KZN211 Vulamehlo Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	12 780	8 773	31 716	22 547	41 807	10 091	–	53 985	66 894	80 578
Cash + investments at the yr end less applications - R'000	18(1)b	2	2 666	5 243	30 932	(1 099)	26 045	26 518	–	47 894	50 767	53 813
Cash year end/monthly employee/supplier payments	18(1)b	3	5,6	3,7	11,1	5,2	9,5	2,3	–	14,9	17,8	20,2
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	4 002	8 553	10 587	26 477	23 222	23 222	10 317	46 469	50 000	53 000
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	16,6%	(6,1%)	0,0%	(11,7%)	(6,0%)	(106,0%)	35,5%	0,0%	(0,0%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	67,0%	57,2%	410,4%	59,4%	47,8%	47,8%	0,0%	68,0%	68,0%	68,0%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	71,5%	2,8%	34,1%	39,6%	76,1%	76,1%	0,0%	70,7%	70,7%	70,7%
Capital payments % of capital expenditure	18(1)c;19	8	111,0%	100,4%	100,0%	100,0%	100,0%	100,0%	0,0%	100,0%	100,0%	100,0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0,0%	0,0%	0,0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	31,3%	(69,4%)	(41,2%)	(47,3%)	0,0%	(100,0%)	(67,7%)	6,0%	6,0%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0,0%	0,0%	(100,0%)	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	0,9%	0,3%	0,5%	4,6%	5,0%	5,0%	0,0%	4,1%	4,1%	4,1%
Asset renewal % of capital budget	20(1)(vi)	14	0,0%	0,0%	0,0%	50,6%	56,6%	56,6%	0,0%	64,7%	64,7%	64,7%

Total Operating Revenue			47 490	48 550	63 688	87 983	88 076	88 076	—	78 936	83 673	88 693
Total Operating Expenditure			55 056	61 796	65 152	100 066	99 815	99 815	—	78 843	82 832	87 802
Operating Performance Surplus/(Deficit)			(7 566)	(13 246)	(1 464)	(12 083)	(11 738)	(11 738)	—	93	841	891
Cash and Cash Equivalents (30 June 2012)										53 985		
Revenue												
% Increase in Total Operating Revenue				2,2%	31,2%	38,1%	0,1%	0,0%	(100,0%)	(10,4%)	6,0%	6,0%
% Increase in Property Rates Revenue				22,6%	(0,1%)	6,0%	(5,7%)	0,0%	(100,0%)	7,9%	6,0%	6,0%
% Increase in Electricity Revenue				0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
% Increase in Property Rates & Services Charges				22,6%	(0,1%)	6,0%	(5,7%)	0,0%	(100,0%)	41,5%	6,0%	6,0%
Expenditure												
% Increase in Total Operating Expenditure				12,2%	5,4%	53,6%	(0,3%)	0,0%	(100,0%)	(21,0%)	5,1%	6,0%
% Increase in Employee Costs				14,5%	15,0%	13,8%	(3,7%)	0,0%	(100,0%)	2,6%	6,0%	6,0%
% Increase in Electricity Bulk Purchases				0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Average Cost Per Budgeted Employee Position (Remuneration)					275853,1406	287005,4429				292092,8235		
Average Cost Per Councillor (Remuneration)					390891,6	335612,25				363183,2632		
R&M % of PPE			0,9%	0,3%	0,5%	4,6%	5,0%	5,0%		4,1%	4,1%	4,1%
Asset Renewal and R&M as a % of PPE			1,0%	0,0%	0,0%	17,0%	17,0%	17,0%		19,0%	19,0%	19,0%
Debt Impairment % of Total Billable Revenue			71,5%	2,8%	34,1%	39,6%	76,1%	76,1%	0,0%	70,7%	70,7%	70,7%
Capital Revenue												
Internally Funded & Other (R'000)			—	—	—	1 470	904	904	—	—	—	—
Borrowing (R'000)			—	—	—	—	—	—	—	—	—	—
Grant Funding and Other (R'000)			12 483	19 526	10 755	38 060	34 460	34 460	—	46 469	49 258	52 213
Internally Generated funds % of Non Grant Funding			0,0%	0,0%	0,0%	100,0%	100,0%	100,0%	0,0%	0,0%	0,0%	0,0%
Borrowing % of Non Grant Funding			0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Grant Funding % of Total Funding			100,0%	100,0%	100,0%	96,3%	97,4%	97,4%	0,0%	100,0%	100,0%	100,0%
Capital Expenditure												
Total Capital Programme (R'000)			12 483	19 526	10 755	39 530	35 364	35 364	—	46 469	49 258	52 213
Asset Renewal			—	—	—	20 000	20 000	20 000	20 000	30 000	31 800	33 708
Asset Renewal % of Total Capital Expenditure			0,0%	0,0%	0,0%	50,6%	56,6%	56,6%	0,0%	64,6%	64,6%	64,6%
Cash												
Cash Receipts % of Rate Payer & Other			67,0%	57,2%	410,4%	59,4%	47,8%	47,8%	0,0%	68,0%	68,0%	68,0%
Cash Coverage Ratio			0	0	0	0	0	0	—	0	0	0
Borrowing												
Credit Rating (2009/10)										0		
Capital Charges to Operating			3,6%	1,4%	0,9%	0,1%	0,5%	0,5%	0,0%	0,0%	0,0%	0,0%
Borrowing Receipts % of Capital Expenditure			0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Reserves												
Surplus/(Deficit)			2 666	5 243	30 932	(1 099)	26 045	26 518	—	47 894	50 767	53 813
Free Services												
Free Basic Services as a % of Equitable Share			0,0%	0,0%	0,0%	0,0%	0,0%	0,0%		0,0%	0,0%	0,0%
Free Services as a % of Operating Revenue (excl operational transfers)			0,0%	0,0%	0,0%	1,5%	0,7%	0,7%		0,0%	0,8%	0,8%
High Level Outcome of Funding Compliance												
Total Operating Revenue			47 490	48 550	63 688	87 983	88 076	88 076	—	78 936	83 673	88 693
Total Operating Expenditure			55 056	61 796	65 152	100 066	99 815	99 815	—	78 843	82 832	87 802
Surplus/(Deficit) Budgeted Operating Statement			(7 566)	(13 246)	(1 464)	(12 083)	(11 738)	(11 738)	—	93	841	891
Surplus/(Deficit) Considering Reserves and Cash Backing			2 666	5 243	30 932	(1 099)	26 045	26 518	—	47 894	50 767	53 813
MTREF Funded (1) / Unfunded (0)	15	1	1	1	1	0	1	1	1	1	1	1
MTREF Funded ✓ / Unfunded ✗	15	✓	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓

Expenditure on grants and reconciliations of unspent funds

Table 23 MBRR SA19 - Expenditure on transfers and grant programmes

KZN211 Vulamehlo - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand										
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		44 556	41 384	58 638	76 532	74 675	74 675	63 897	67 731	71 795
Local Government Equitable Share		35 481	34 172	48 657	62 870	62 870	62 870	60 040	63 643	67 461
Finance Management		1 384	1 767	1 800	1 875	1 875	1 875	2 010	2 131	2 258
Municipal Systems Improvement		801	890	934	930	930	930			
Integrated National Electrification Programme		5 000	4 556	6 667	8 000	8 000	8 000			
EPWP Incentive				580	1 000	1 000	1 000	985	1 044	1 107
Municipal Infrastructure Grant (MIG)		1 890						862	913	968
Democration Transition Grant					1 857					
Provincial Government:		-	-	-	8 000	8 000	8 000	-	-	-
Missification programme Grant					8 000	8 000	8 000			
Democration Transition Grant										
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Other grant providers:		-	3 671	784	-	-	-	-	-	-
<i>Disaster grant</i>			2 252	248						
			1 419	536						
Total operating expenditure of Transfers and Grants		44 556	45 055	59 422	84 532	82 675	82 675	63 897	67 731	71 795
Capital expenditure of Transfers and Grants										
National Government:		11 568	21 799	12 050	38 560	34 960	34 960	46 369	49 152	52 101
Municipal Infrastructure Grant (MIG)		11 568	21 799	12 050	18 560	14 960	14 960	16 369	17 352	18 393
Disaster Grant					20 000	20 000	20 000	30 000	31 800	33 708
Provincial Government:		-	-	-	-	-	-	-	-	-
Masification Grant										
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Other grant providers:		-	-	-	-	-	-	-	-	-
<i>Disaster grant</i>										
Total capital expenditure of Transfers and Grants		11 568	21 799	12 050	38 560	34 960	34 960	46 369	49 152	52 101
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		56 124	66 854	71 472	123 092	117 635	117 635	110 266	116 882	123 895

Table 23 MBRR SA 20 - Reconciliation between of transfers, grant receipts and unspent funds

KZN211 Vulamehlo - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand										
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year						1 426	1 426			
Current year receipts		44 556	45 055	59 422	76 532	73 249	73 249	65 450	69 377	73 540
Conditions met - transferred to revenue		44 556	45 055	59 422	76 532	74 675	74 675	65 450	69 377	73 540
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts					8 000	8 000	8 000	8 000	8 480	8 989
Conditions met - transferred to revenue		-	-	-	8 000	8 000	8 000	8 000	8 480	8 989
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		44 556	45 055	59 422	84 532	82 675	82 675	73 450	77 857	82 528
Total operating transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year						3 950	3 950			
Current year receipts		12 483	19 526	10 755	38 060	30 510	30 510	46 469	49 258	52 213
Conditions met - transferred to revenue		12 483	19 526	10 755	38 060	34 460	34 460	46 469	49 258	52 213
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total capital transfers and grants revenue		12 483	19 526	10 755	38 060	34 460	34 460	46 469	49 258	52 213
Total capital transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		57 039	64 580	70 176	122 592	117 134	117 134	119 919	127 115	134 741
TOTAL TRANSFERS AND GRANTS - CTBM		-	-	-	-	-	-	-	-	-

Councilor and employee benefits

Table 24 MBRR SA22 - Summary of councilor and staff benefits

KZN211 Vulamehlo - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		5 154	6 684	7 818	3 716	4 499	4 499	6 301	6 679	7 080
Pension and UIF Contributions					929					
Medical Aid Contributions										
Motor Vehicle Allowance					1 548	1 495	1 495			
Cellphone Allowance					442	451	451	449	476	504
Housing Allowances										
Other benefits and allowances					76	76	76	151	160	170
Sub Total - Councillors		5 154	6 684	7 818	6 712	6 521	6 521	6 900	7 315	7 753
% increase	4		29,7%	17,0%	(14,1%)	(2,8%)	-	5,8%	6,0%	6,0%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		1 323	1 822	2 720	3 553	3 553	3 553	3 541	3 754	3 979
Pension and UIF Contributions		166	426	179	170	170	170	8	8	9
Medical Aid Contributions					37	37	37			
Overtime										
Performance Bonus								496	526	557
Motor Vehicle Allowance	3	1 105	699	415						
Cellphone Allowance	3				36	36	36	162	171	182
Housing Allowances	3			84				65	68	72
Other benefits and allowances	3	13 999			26	26	26	36	38	40
Payments in lieu of leave		2 946								
Long service awards		12 409								
Post-retirement benefit obligations	6	15 355								
Sub Total - Senior Managers of Municipality		47 303	2 946	3 398	3 822	3 822	3 822	4 307	4 565	4 839
% increase	4		(93,8%)	15,3%	12,5%	-	-	12,7%	6,0%	6,0%
Other Municipal Staff										
Basic Salaries and Wages		8 367	8 963	10 792	12 293	11 198	11 198	10 968	11 626	12 324
Pension and UIF Contributions		487	1 336	1 837	1 788	1 267	1 267	1 364	1 446	1 532
Medical Aid Contributions		502			551	756	756	862	914	969
Overtime								50	53	56
Performance Bonus					933	933	933	963	1 021	1 082
Motor Vehicle Allowance	3	202	199	442	528	822	822	676	717	760
Cellphone Allowance	3				58	15	15	93	98	104
Housing Allowances	3	215	554	8	6	36	36	364	385	408
Other benefits and allowances	3	708	1 356	1 177	112	507	507	209	222	235
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6		-							
Sub Total - Other Municipal Staff		10 482	12 409	14 256	16 268	15 532	15 532	15 550	16 483	17 472
% increase	4		18,4%	14,9%	14,1%	(4,5%)	-	0,1%	6,0%	6,0%
Total Parent Municipality		62 938	22 039	25 472	26 802	25 876	25 876	26 757	28 362	30 064
			(65,0%)	15,6%	5,2%	(3,5%)	-	3,4%	6,0%	6,0%

Table 25 MBRR SA23 - Salaries, allowances and benefits (political office bearers/councillors/ senior managers)

KZN211 Vulamehlo - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
<u>Councillors</u>	3							
Speaker	4		582 216	3 673	46 740			632 629
Chief Whip			512 820	3 673	46 740			563 233
Executive Mayor			694 218	3 673	46 740			744 631
Deputy Executive Mayor			582 216	3 673	46 740			632 629
Executive Committee			512 820	3 673	46 740			563 233
Total for all other councillors			3 416 666	55 099	292 362			3 764 127
Total Councillors	8	–	6 300 955	73 464	526 062			6 900 481
<u>Senior Managers of the Municipality</u>	5							
Municipal Manager (MM)			651 186	158 522	134 299	–		944 006
Chief Finance Officer			802 131	68 723	15 235	–		886 089
Corporate services			594 517	10 443	172 233	–		777 193
Technical services			511 727	10 478	297 266	–		819 472
								–
								–
<i>List of each official with packages >= senior manager</i>								
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
Total Senior Managers of the Municipality	8,10		2 559 560	248 166	619 034	–		3 426 760

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Table 26 MBRR SA24 – Summary of personnel numbers

KZN211 Vulamehlo - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers Number	Ref 1,2	2014/15			Current Year 2015/16			Budget Year 2016/17		
		Position s	Permane nt employe es	Contract employe es	Position s	Permane nt employe es	Contract employe es	Positions	Permane nt employee s	Contract employe es
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)	4	20	5	15	20	5	15	19	5	14
Board Members of municipal entities	5									
Municipal employees										
Municipal Manager and Senior Managers	3	4	–	4	4	–	4	4		4
Other Managers	7	5	4	1	6	6	–	7	6	1
Professionals		22	16	6	26	18	8	17	17	1
<i>Finance</i>		11	6	5	13	8	5	6	6	1
<i>Spatial/town planning</i>		1	1	–	1	–	1	1	1	
<i>Information Technology</i>		1	1		1	1		1	1	
<i>Roads</i>		2	1	1	3	1	2	1	1	
<i>Electricity</i>										
<i>Water</i>										
<i>Sanitation</i>										
<i>Refuse</i>										
<i>Other</i>		7	7	–	8	8	–	8	8	
Technicians		2	1	1	3	1	2	2	1	1
<i>Finance</i>										
<i>Spatial/town planning</i>										
<i>Information Technology</i>										
<i>Roads</i>		2	1	1	3	1	2	2	1	1

Electricity										
Water										
Sanitation										
Refuse										
Other										
Clerks (Clerical and administrative)	14	10	4	14	11	3	14	11	3	
Service and sales workers	15	15	–	15	15	–	15	8	6	
Skilled agricultural and fishery workers										
Craft and related trades										
Plant and Machine Operators	2	2	–	2	2	–	2	2		
Elementary Occupations							7		7	
TOTAL PERSONNEL NUMBERS	9	84	53	31	90	58	32	87	50	37
% increase				7.1%	9.4%	3.2%	(3.3%)	(13.8%)	15.6%	
Total municipal employees headcount	6,									
Finance personnel headcount	10									
Human Resources personnel headcount	8,									
	10									

References

1. Positions must be funded and aligned to the municipality's current organisational structure
2. Full Time Equivalent (FTE). E.g. One full time person = 1FTE. A person working half time (say 4 hours out of 8) = 0.5FTE.
3. s57 of the Systems Act
4. Include only in Consolidated Statements
5. Include municipal entity employees in Consolidated Statements
6. Include headcount (number fo persons, Not FTE) of managers and staff only (exclude councillors)
7. Managers who provide the direction of a critical technical function
8. Total number of employees working on these functions
9. Correct as at 30 June
10. Must account for all budgeted positions, as per the municipal organogram

Monthly targets for revenue, expenditure and cash flow

Table 27 MBRR SA25 - Budgeted monthly revenue and expenditure

KZN211 Vulamehlo - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue By Source																
Property rates		201	186	186	186	186	186	186	186	186	186	186	349	2 412	2 557	2 710
Property rates - penalties & collection charges		63	63	63	63	63	63	63	63	63	63	63	63	750	795	843
Service charges - electricity revenue													-	-	-	-
Service charges - water revenue													-	-	-	-
Service charges - sanitation revenue													-	-	-	-
Service charges - refuse revenue													-	-	-	-
Service charges - other													-	-	-	-
Rental of facilities and equipment		25	25	25	25	25	25	25	25	25	25	25	25	296	314	333
Interest earned - external investments		167	167	167	167	167	167	167	167	167	167	167	167	2 000	2 120	2 247
Interest earned - outstanding debtors													12	12	13	13
Dividends received													-	-	-	-
Fines													-	-	-	-
Licences and permits													-	-	-	-
Agency services													-	-	-	-
Transfers recognised - operational				18 363			15 974			15 974			23 139	73 450	77 857	82 529
Other revenue				1			10	1	1	1	1	1	1	16	17	18
Gains on disposal of PPE													-	-	-	-
Total Revenue (excluding capital transfers and contributions)		455	440	18 803	440	440	16 424	441	441	16 415	441	441	23 755	78 936	83 673	88 693
Expenditure By Type																
Employee related costs		1 534	2 993	1 534	1 534	1 534	1 534	1 534	1 534	1 534	1 534	1 534	1 534	19 862	21 054	22 317
Remuneration of councillors		575	575	575	575	575	575	575	575	575	575	575	575	6 900	7 315	7 753
Debt impairment				223	223	223	223	223	223	223	223	223	223	2 234	2 368	2 510
Depreciation & asset impairment		979	979	979	979	979	979	979	979	979	979	979	979	11 746	12 451	13 198
Finance charges		1	1	1	1	1	1	1	1	1	1	1	1	9	10	10
Bulk purchases													-	-	-	-
Other materials													-	-	-	-
Contracted services		263	388	388	388	388	388	388	388	388	388	388	(987)	3 150	3 339	3 539
Transfers and grants		725	8	8	8	8	8	8	8	8	8	8	7 892	8 700	8 480	8 989
Other expenditure		1 000	1 000	1 000	1 950	1 950	2 500	2 500	2 500	3 800	3 800	1 000	3 241	26 241	27 816	29 485
Loss on disposal of PPE													-	-	-	-
Total Expenditure		5 076	5 943	4 707	5 657	5 657	6 207	6 207	6 207	7 507	7 507	4 707	13 458	78 843	82 832	87 802
Surplus/(Deficit)																
Transfers recognised - capital		(4 621)	(5 503)	14 096	(5 217)	(5 217)	10 217	(5 766)	(5 766)	8 908	(7 067)	(4 266)	10 297	93	841	891
Contributions recognised - capital							7 728	7 728	7 728	7 728	7 728	7 728	7	46 376	49 159	52 109
Contributed assets													-	-	-	-
Surplus/(Deficit) after capital transfers & contributions																
Taxation		(4 621)	(5 503)	14 096	(5 217)	(5 217)	17 945	1 962	1 962	16 636	661	3 462	10 305	46 469	50 000	53 000
Attributable to minorities													-	-	-	-
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	(4 621)	(5 503)	14 096	(5 217)	(5 217)	17 945	1 962	1 962	16 636	661	3 462	10 305	46 469	50 000	53 000

References

1. Surplus (Deficit) must reconcile with Budgeted Financial Performance check

Table 28 MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)

KZN211 Vulamehlo - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand																
Revenue by Vote																
Council		760	760	760	760	760	760	760	760	760	760	760	760	9 120	9 668	10 248
Municipal Manager		671	671	671	671	671	671	671	671	671	671	671	671	8 048	8 531	9 043
Budget and Treasury		1 702	1 702	1 702	1 702	1 702	1 702	1 702	1 702	1 702	1 702	1 702	1 702	20 429	21 655	22 954
Corporate services		1 840	1 840	1 840	1 840	1 840	1 840	1 840	1 840	1 840	1 840	1 840	1 840	22 086	23 411	24 816
Technical services		5 469	5 469	5 469	5 469	5 469	5 469	5 469	5 469	5 469	5 469	5 469	5 469	65 629	69 567	73 741
Vote 6 - [NAME OF VOTE 6]													-	-	-	-
Vote 7 - [NAME OF VOTE 7]													-	-	-	-
Vote 8 - [NAME OF VOTE 8]													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Total Revenue by Vote		10 443	10 443	10 443	10 443	10 443	10 443	10 443	10 443	10 443	10 443	10 443	10 443	125 313	132 832	140 802
Expenditure by Vote to be appropriated																
Council		777	777	777	777	777	777	777	777	777	777	777	777	9 320	9 880	10 472
Municipal Manager		604	604	604	604	604	604	604	604	604	604	604	604	7 248	7 683	8 144
Budget and Treasury		1 692	1 692	1 692	1 692	1 692	1 692	1 692	1 692	1 692	1 692	1 692	1 692	20 305	21 523	22 814
Corporate services		1 707	1 707	1 707	1 707	1 707	1 707	1 707	1 707	1 707	1 707	1 707	1 707	20 479	21 708	23 010
Technical services		1 791	1 791	1 791	1 791	1 791	1 791	1 791	1 791	1 791	1 791	1 791	1 791	21 491	22 038	23 361
Vote 6 - [NAME OF VOTE 6]													-	-	-	-
Vote 7 - [NAME OF VOTE 7]													-	-	-	-
Vote 8 - [NAME OF VOTE 8]													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Total Expenditure by Vote		6 570	6 570	6 570	6 570	6 570	6 570	6 570	6 570	6 570	6 570	6 570	6 570	78 843	82 832	87 802
Surplus/(Deficit) before assoc.		3 872	3 872	3 872	3 872	3 872	3 872	3 872	3 872	3 872	3 872	3 872	3 872	46 469	50 000	53 000
Taxation													-	-	-	-
Attributable to minorities													-	-	-	-
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	3 872	3 872	3 872	3 872	3 872	3 872	3 872	3 872	3 872	3 872	3 872	3 872	46 469	50 000	53 000

References

1. Surplus (Deficit) must reconcile with Budgeted Financial Performance check

Table 29 MBRR SA27 - Budgeted monthly revenue and expenditure (standard classification)

KZN211 Vulamehlo - Supporting Table SA27 Budgeted monthly revenue and expenditure (standard classification)

Description	Ref	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand																
Revenue - Standard																
Governance and administration		4 974	4 974	4 974	4 974	4 974	4 974	4 974	4 974	4 974	4 974	4 974	4 974	59 684	63 265	67 061
Executive and council		1 431	1 431	1 431	1 431	1 431	1 431	1 431	1 431	1 431	1 431	1 431	1 431	17 169	18 199	19 291
Budget and treasury office		1 702	1 702	1 702	1 702	1 702	1 702	1 702	1 702	1 702	1 702	1 702	1 702	20 429	21 655	22 954
Corporate services		1 840	1 840	1 840	1 840	1 840	1 840	1 840	1 840	1 840	1 840	1 840	1 840	22 086	23 411	24 816
Community and public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		5 469	5 469	5 469	5 469	5 469	5 469	5 469	5 469	5 469	5 469	5 469	5 469	65 629	69 567	73 741
Planning and development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Road transport		5 469	5 469	5 469	5 469	5 469	5 469	5 469	5 469	5 469	5 469	5 469	5 469	65 629	69 567	73 741
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Standard		10 443	10 443	10 443	10 443	10 443	10 443	10 443	10 443	10 443	10 443	10 443	10 443	125 313	132 832	140 802
Expenditure - Standard																
Governance and administration		4 779	4 779	4 779	4 779	4 779	4 779	4 779	4 779	4 779	4 779	4 779	4 779	57 353	60 794	64 441
Executive and council		1 381	1 381	1 381	1 381	1 381	1 381	1 381	1 381	1 381	1 381	1 381	1 381	16 569	17 563	18 617
Budget and treasury office		1 692	1 692	1 692	1 692	1 692	1 692	1 692	1 692	1 692	1 692	1 692	1 692	20 305	21 523	22 814
Corporate services		1 707	1 707	1 707	1 707	1 707	1 707	1 707	1 707	1 707	1 707	1 707	1 707	20 479	21 708	23 010
Community and public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		1 791	1 791	1 791	1 791	1 791	1 791	1 791	1 791	1 791	1 791	1 791	1 791	21 491	22 038	23 361
Planning and development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Road transport		1 791	1 791	1 791	1 791	1 791	1 791	1 791	1 791	1 791	1 791	1 791	1 791	21 491	22 038	23 361
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard		6 570	6 570	6 570	6 570	6 570	6 570	6 570	6 570	6 570	6 570	6 570	6 570	78 843	82 832	87 802
Surplus/(Deficit) before assoc.		3 872	3 872	3 872	3 872	3 872	3 872	3 872	3 872	3 872	3 872	3 872	3 872	46 469	50 000	53 000
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	3 872	3 872	3 872	3 872	3 872	3 872	3 872	3 872	3 872	3 872	3 872	3 872	46 469	50 000	53 000

References

1. Surplus (Deficit) must reconcile with Budgeted Financial Performance check

Table 30 MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)

KZN211 Vulamehlo - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand																
Multi-year expenditure to be appropriated	1															
Council													-	-	-	-
Municipal Manager													-	-	-	-
Budget and Treasury													-	-	-	-
Corporate services													-	-	-	-
Technical services													-	-	-	-
Vote 6 - [NAME OF VOTE 6]													-	-	-	-
Vote 7 - [NAME OF VOTE 7]													-	-	-	-
Vote 8 - [NAME OF VOTE 8]													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Capital multi-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated																
Council													-	-	-	-
Municipal Manager													-	-	-	-
Budget and Treasury													-	-	-	-
Corporate services													-	-	-	-
Technical services							7 728	7 728	7 728	7 728	7 728	7 728	-	46 369	49 151	52 100
Vote 6 - [NAME OF VOTE 6]													-	-	-	-
Vote 7 - [NAME OF VOTE 7]													-	-	-	-
Vote 8 - [NAME OF VOTE 8]													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Capital single-year expenditure sub-total	2	-	-	-	-	-	7 728	7 728	7 728	7 728	7 728	7 728	-	46 369	49 151	52 100
Total Capital Expenditure	2	-	-	-	-	-	7 728	7 728	7 728	7 728	7 728	7 728	-	46 369	49 151	52 100

Table 32 MBRR SA29 - Budgeted monthly capital expenditure (standard classification)

KZN211 Vulamehlo - Supporting Table SA29 Budgeted monthly capital expenditure (standard classification)

Description	Ref	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Capital Expenditure - Standard	1															
Governance and administration		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Executive and council														-	-	-
Budget and treasury office														-	-	-
Corporate services														-	-	-
Community and public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and social services														-	-	-
Sport and recreation														-	-	-
Public safety														-	-	-
Housing														-	-	-
Health														-	-	-
Economic and environmental services		-	-	-	-	-	7 728	7 728	7 728	7 728	7 728	7 728	100	46 469	49 258	52 213
Planning and development														-	-	-
Road transport							7 728	7 728	7 728	7 728	7 728	7 728	100	46 469	49 258	52 213
Environmental protection														-	-	-
Trading services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Electricity														-	-	-
Water														-	-	-
Waste water management														-	-	-
Waste management														-	-	-
Other														-	-	-
Total Capital Expenditure - Standard	2	-	-	-	-	-	7 728	7 728	7 728	7 728	7 728	7 728	100	46 469	49 258	52 213
Funded by:																
National Government				11 592			11 592			11 592			11 693	46 469	49 258	52 213
Provincial Government														-	-	-
District Municipality														-	-	-
Other transfers and grants														-	-	-
Transfers recognised - capital		-	-	11 592	-	-	11 592	-	-	11 592	-	-	11 693	46 469	49 258	52 213
Public contributions & donations														-	-	-
Borrowing														-	-	-
Internally generated funds														-	-	-
Total Capital Funding		-	-	11 592	-	-	11 592	-	-	11 592	-	-	11 693	46 469	49 258	52 213

Table 31 MBRR SA30 - Budgeted monthly cash flow

KZN211 Vulamehlo - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Cash Receipts By Source													1		
Property rates	129	129	129	129	129	129	129	129	129	129	129	129	1 547	1 640	1 738
Property rates - penalties & collection charges	43	43	43	43	43	43	43	43	43	43	43	43	510	541	573
Service charges - electricity revenue												-			
Service charges - water revenue												-			
Service charges - sanitation revenue												-			
Service charges - refuse revenue												-			
Service charges - other												-			
Rental of facilities and equipment	25	25	25	25	25	25	25	25	25	25	25	25	296	314	333
Interest earned - external investments	167	167	167	167	167	167	167	167	167	167	167	167	2 000	2 120	2 247
Interest earned - outstanding debtors												-			
Dividends received												-			
Fines												-			
Licences and permits												-			
Agency services												-			
Transfer receipts - operational			15 759			15 759			15 759			15 759	63 035	66 817	70 826
Other revenue			1			10	1	1	1	1	1	1	16	17	18
Cash Receipts by Source	363	363	16 122	363	363	16 132	364	364	16 123	363	364	16 123	67 404	71 449	75 735
Other Cash Flows by Source															
Transfer receipts - capital			11 592			11 592			11 592			11 592	46 369	49 151	52 100
Contributions recognised - capital & Contributed assets												-			
Proceeds on disposal of PPE												-			
Short term loans												-			
Borrowing long term/refinancing												-			
Increase (decrease) in consumer deposits												-			
Decrease (Increase) in non-current debtors												-			
Decrease (increase) other non-current receivables												-			
Decrease (increase) in non-current investments												-			
Total Cash Receipts by Source	363	363	27 714	363	363	27 724	364	364	27 715	363	364	27 715	113 774	120 600	127 836
Cash Payments by Type															
Employee related costs	1 534	2 993	1 534	1 534	1 534	1 534	1 534	1 534	1 534	1 534	1 534	1 534	19 862	21 054	22 317
Remuneration of councillors	575	575	575	575	575	575	575	575	575	575	575	575	6 900	7 315	7 753
Finance charges	1	1	1	1	1	1	1	1	1	1	1	1	9	10	10
Bulk purchases - Electricity												-			
Bulk purchases - Water & Sewer												-			
Other materials												-			
Contracted services	388	388	388	388	388	388	388	388	388	388	388	388	4 650	4 929	5 225
Transfers and grants - other municipalities												-			
Transfers and grants - other	1	1	1	1	1	1	1	1	1	1	1	91	100	106	112
Other expenditure	1 000	1 000	1 000	1 950	1 950	2 500	2 500	2 500	3 800	3 800	1 000	704	23 704	25 126	26 633
Cash Payments by Type	3 498	4 957	3 498	4 448	4 448	4 998	4 998	4 998	6 298	6 298	3 498	3 292	55 226	58 539	62 052
Other Cash Flows/Payments by Type															
Capital assets						7 728	7 728	7 728	7 728	7 728	7 728	-	46 369	49 151	52 100
Repayment of borrowing												-			
Other Cash Flows/Payments												-			
Total Cash Payments by Type	3 498	4 957	3 498	4 448	4 448	12 726	12 726	12 726	14 026	14 026	11 226	3 292	101 595	107 691	114 152
NET INCREASE/(DECREASE) IN CASH HELD	(3 135)	(4 594)	24 217	(4 085)	(4 085)	14 998	(12 362)	(12 362)	13 689	(13 663)	(10 862)	24 423	12 179	12 909	13 684
Cash/cash equivalents at the month/year begin:	41 807	38 672	34 077	58 294	54 209	50 124	65 122	52 760	40 398	54 087	40 424	29 562	41 807	53 985	66 894
Cash/cash equivalents at the month/year end:	38 672	34 077	58 294	54 209	50 124	65 122	52 760	40 398	54 087	40 424	29 562	53 985	53 985	66 894	80 578

References

88 Note that this section of Table SA 30 is deliberately not linked to Table A4 because timing differences between the invoicing of clients and receiving the cash means that the cashflow will differ from budgeted revenue, and similarly for budgeted expenditure. However for the MTREF it is now directly linked to A7.

4 448 4 448 4 998 4 998 4 998 6 298 6 298 3 498 3 292 55 226 58 539 62 052
(4 085) (4 085) 14 998 (12 362) (12 362) 13 689 (13 663) (10 862) 24 423 12 179 12 909 13 684

Capital expenditure details

The following three tables present details of the Municipality's capital expenditure programme, firstly on new assets, then the renewal of assets and finally on the repair and maintenance of assets. The capital budget does not cater for renewal of assets (which relates to 40% the capital budget must be for renewal of assets) as the municipal is still constructing infrastructure, but existing assets are maintained to be operational.

Table 33 MBRR SA 34a - Capital expenditure on new assets by asset class

KZN211 Vulamehlo - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1									
<u>Capital expenditure on new assets by Asset Class/Sub-class</u>										
<u>Infrastructure</u>		8 078	9 909	2 642	-	-	-	-	-	-
Infrastructure - Road transport		8 078	9 909	2 642	-	-	-	-	-	-
Roads, Pavements & Bridges		8 078	9 909	2 642						
Storm water										
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Generation										
Transmission & Reticulation										
Street Lighting										
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Dams & Reservoirs										
Water purification										
Reticulation										
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation										
Sewerage purification										
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Waste Management										

Transportation	2									
Gas										
Other	3									
Community		4 087	8 385	6 933	18 310	14 460	14 460	16 369	17 351	18 392
Parks & gardens					5 250	5 000	5 000			
Sportsfields & stadia						—	—			
Swimming pools					3 340	3 340	3 340	16 369	17 351	18 392
Community halls						—	—			
Libraries		4 087	8 385	6 933	7 020	3 420	3 420			
Recreational facilities						—	—			
Fire, safety & emergency						—	—			
Security and policing						—	—			
Buses	7					—	—			
Clinics						—	—			
Museums & Art Galleries						—	—			
Cemeteries						—	—			
Social rental housing	8					—	—			
Other					2 700	2 700	2 700			
		—	—	—	—	—	—	—	—	—
Heritage assets										
Buildings										
Other	9									
		—	—	—	—	—	—	—	—	—
Investment properties										
Housing development										
Other										
		313	1 218	1 174	1 220	904	904	—	—	—
Other assets										
General vehicles										
Specialised vehicles	10	—	—	—	—	—	—	—	—	—
Plant & equipment										
Computers - hardware/equipment										
Furniture and other office equipment										
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings										

Other Land										
Surplus Assets - (Investment or Inventory)										
Other		313	1 218	1 174	1 220	904	904			
Agricultural assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>				-						
Biological assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>										
Intangibles		6	13	5	-	-	-	-	-	-
Computers - software & programming		6	13	5						
Other (<i>list sub-class</i>)										
Total Capital Expenditure on new assets	1	12 483	19 526	10 755	19 530	15 364	15 364	16 369	17 351	18 392

Table 33 MBRR SA34b - Capital expenditure on the renewal of existing assets by asset class

KZN211 Vulamehlo - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1									
<u>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</u>										
-										
<u>Infrastructure</u>		-	-	-	20 000	20 000	20 000	30 000	31 800	33 708
Infrastructure - Road transport		-	-	-	20 000	20 000	20 000	30 000	31 800	33 708
Roads, Pavements & Bridges					20 000	20 000	20 000	30 000	31 800	33 708
Storm water										
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Generation										

Transmission & Reticulation								
Street Lighting								
Infrastructure - Water	-	-	-	-	-	-	-	-
Dams & Reservoirs								
Water purification								
Reticulation								
Infrastructure - Sanitation	-	-	-	-	-	-	-	-
Reticulation								
Sewerage purification								
Infrastructure - Other	-	-	-	-	-	-	-	-
Waste Management								
Transportation	2							
Gas	3							
Other								
Community	-	-	-	-	-	-	-	-
Parks & gardens								
Sportsfields & stadia								
Swimming pools								
Community halls								
Libraries								
Recreational facilities								
Fire, safety & emergency								
Security and policing								
Buses	7							
Clinics								
Museums & Art Galleries								
Cemeteries								
Social rental housing	8							
Other								
Heritage assets	-	-	-	-	-	-	-	-
Buildings								
Other	9							

<u>Investment properties</u>		-	-	-	-	-	-	-	-	-
Housing development										
Other										
<u>Other assets</u>		-	-	-	-	-	-	-	-	-
General vehicles										
Specialised vehicles	10	-	-	-	-	-	-	-	-	-
Plant & equipment										
Computers - hardware/equipment										
Furniture and other office equipment										
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings										
Other Land										
Surplus Assets - (Investment or Inventory)										
Other										
<u>Agricultural assets</u>		-	-	-	-	-	-	-	-	-
List sub-class										
<u>Biological assets</u>		-	-	-	-	-	-	-	-	-
List sub-class										
<u>Intangibles</u>		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other (list sub-class)										
Total Capital Expenditure on renewal of existing assets	1	-	-	-	20 000	20 000	20 000	30 000	31 800	33 708

<u>Specialised vehicles</u>			-	-	-	-	-	-	-	-	-
Refuse											
Fire											
Conservancy											

Ambulances										
Renewal of Existing Assets as % of total capex		0,0%	0,0%	0,0%	50,6%	56,6%	56,6%	64,7%	64,7%	64,7%
Renewal of Existing Assets as % of deprecn"		0,0%	0,0%	0,0%	167,0%	167,0%	167,0%	255,4%	255,4%	255,4%

Table 34 MBRR SA34c - Repairs and maintenance expenditure by asset class

KZN211 Vulamehlo - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		1 089	407	616	7 544	8 028	8 028	7 274	7 711	8 173
Infrastructure - Road transport		1 089	407	616	7 544	8 028	8 028	7 274	7 711	8 173
Roads, Pavements & Bridges		1 089	407	616	7 544	8 028	8 028	7 274	7 711	8 173
Storm water										
Infrastructure - Electricity		–	–	–	–	–	–	–	–	–
Generation										
Transmission & Reticulation										
Street Lighting										
Infrastructure - Water		–	–	–	–	–	–	–	–	–
Dams & Reservoirs										
Water purification										
Reticulation										
Infrastructure - Sanitation		–	–	–	–	–	–	–	–	–
Reticulation										
Sewerage purification										
Infrastructure - Other		–	–	–	–	–	–	–	–	–
Waste Management										
Transportation	2									
Gas										
Other	3									

[illegible]

Abattoirs										
Markets										
Civic Land and Buildings								30	32	34
Other Buildings										
Other Land										
Surplus Assets - (Investment or Inventory)										
Other										
Agricultural assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>										
Biological assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>										
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other (<i>list sub-class</i>)										
Total Repairs and Maintenance Expenditure	1	1 089	407	616	7 544	8 028	8 028	8 065	8 549	9 062
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Conservancy										
Ambulances										
R&M as a % of PPE		0,9%	0,3%	0,5%	4,6%	5,0%	5,0%	4,1%	4,1%	4,1%
R&M as % Operating Expenditure		2,0%	0,7%	0,9%	7,5%	8,0%	8,0%	10,2%	10,3%	10,3%

Table 35 MBRR SA35 - Future financial implications of the capital budget

KZN211 Vulamehlo - Supporting Table SA35 Future financial implications of the capital budget

Vote Description R thousand	Ref	2016/17 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	Forecast 2019/20	Forecast 2020/21	Forecast 2021/22	Present value
Capital expenditure	1							
Council		–	–	–				
Municipal Manager		–	–	–				
Budget and Treasury		–	–	–				
Corporate services		–	–	–				
Technical services		46 369	49 151	52 100				
Vote 6 - [NAME OF VOTE 6]		–	–	–				
Vote 7 - [NAME OF VOTE 7]		–	–	–				
Vote 8 - [NAME OF VOTE 8]		–	–	–				
Vote 9 - [NAME OF VOTE 9]		–	–	–				
Vote 10 - [NAME OF VOTE 10]		–	–	–				
Vote 11 - [NAME OF VOTE 11]		–	–	–				
Vote 12 - [NAME OF VOTE 12]		–	–	–				
Vote 13 - [NAME OF VOTE 13]		–	–	–				
Vote 14 - [NAME OF VOTE 14]		–	–	–				
Vote 15 - [NAME OF VOTE 15]		–	–	–				
<i>List entity summary if applicable</i>								
Total Capital Expenditure		46 369	49 151	52 100	–	–	–	–
Future operational costs by vote	2							
Council								
Municipal Manager								
Budget and Treasury								
Corporate services								
Technical services								
Vote 6 - [NAME OF VOTE 6]								
Vote 7 - [NAME OF VOTE 7]								
Vote 8 - [NAME OF VOTE 8]								
Vote 9 - [NAME OF VOTE 9]								
Vote 10 - [NAME OF VOTE 10]								
Vote 11 - [NAME OF VOTE 11]								
Vote 12 - [NAME OF VOTE 12]								
Vote 13 - [NAME OF VOTE 13]								
Vote 14 - [NAME OF VOTE 14]								
Vote 15 - [NAME OF VOTE 15]								
<i>List entity summary if applicable</i>								
Total future operational costs		–	–	–	–	–	–	–

Future revenue by source	3							
Property rates								
Property rates - penalties & collection charges								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse revenue								
Service charges - other								
Rental of facilities and equipment								
List other revenues sources if applicable								
List entity summary if applicable								
Total future revenue		-	-	-	-	-	-	-
Net Financial Implications		46 369	49 151	52 100	-	-	-	-

References

1. Summarise the total capital cost until capital project is operational (MFMA s19(2)(a))
2. Summary of future operational costs from when projects operational (present value until the end of each asset's useful life) (MFMA s19(2)(b))
3. Summarise the future revenue from when projects are operational, including municipal tax and tariff implications, (present value until the end of asset's useful life)

check - - -

Table 36MBRR SA36 - Detailed capital budget per municipal vote

KZN211 Vulamehlo - Supporting Table SA36 Detailed capital budget

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2016/17 Medium Term Revenue & Expenditure Framework			Project information	
R thousand	4			2	6	3	3	5		Audited Outcome 2014/15	Current Year 2015/16 Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	Ward location	New or renewal
Parent municipality: <i>List all capital projects grouped by Municipal Vote</i>																
MIG		Thejane Skills centre	1	3	No	Community	Recreational facilities		4 092	-	-	4 092	-	-		2 new
MIG		Mfume Skills centre	2	3	No	Community	Recreational facilities		4 092	-	-	4 092	-	-		3 new
MIG		Dumayo Hall	3	3	No	Community	Community halls		4 092	-	-	4 092	-	-		2 new
MIG		Qwembe Community hall	4	3	No	Community	Community halls		4 092	-	-	4 092	-	-		3 new
Disaster		Disaster projects roads			Yes	Infrastructure - Road transport	Roads, Pavements & Bridges		30 000	-	-	30 000	-	-	All	renewal
Parent Capital expenditure																
												46 369	-	-		
Entities: <i>List all capital projects grouped by Entity</i>																
Entity A Water project A																
Entity B Electricity project B																
Entity Capital expenditure																
										-	-	-	-	-		
Total Capital expenditure																
										-	-	46 369	-	-		

Projects delayed from previous financial year

NONE

Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. In year reporting
Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days).
2. Internship programme
The Municipality is participating in the Municipal Financial Management Internship programme and has employed five interns undergoing training in various divisions of the Financial Services Department.
3. Budget and Treasury Office
The Budget and Treasury Office has been established in accordance with the MFMA and organogram approved on 29 April 2015
4. Audit Committee
An Audit Committee is shared with the district and is fully functional.
5. Service Delivery and Implementation Plan
The detail 2016/17 draft SDBIP document will be finalized and will be tabled before council.
6. Annual Report
Annual report is compiled in terms of the MFMA and National Treasury requirements.

Other supporting documents:

Table 37 MBRR Table SA1 - Supporting detail to budgeted financial performance

KZN211 Vulamehlo - Supporting Table SA1 Supporting in detail to 'Budgeted Financial Performance'

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
REVENUE ITEMS:											
<u>Property rates</u>											
Total Property Rates	6	1 824	2 237	2 234	2 421	2 275	2 275		2 457	2 604	2 761
less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)					52	40	40		45	48	51
Net Property Rates		1 824	2 237	2 234	2 369	2 234	2 234	–	2 412	2 557	2 710
<u>Service charges - electricity revenue</u>											
Total Service charges - electricity revenue	6										
less Revenue Foregone (in excess of 50 kwh per indigent household per month)											
less Cost of Free Basis Services (50 kwh per indigent household per month)		–	–	–	–	–	–	–	–	–	–
Net Service charges - electricity revenue		–	–	–	–	–	–	–	–	–	–
<u>Service charges - water revenue</u>											
Total Service charges - water revenue	6										
less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)											
less Cost of Free Basis Services (6 kilolitres per indigent household per month)		–	–	–	–	–	–	–	–	–	–
Net Service charges - water revenue		–	–	–	–	–	–	–	–	–	–

Service charges - sanitation revenue											
Total Service charges - sanitation revenue											
<i>less Revenue Foregone (in excess of free sanitation service to indigent households)</i>											
<i>less Cost of Free Basis Services (free sanitation service to indigent households)</i>											
		-	-	-	-	-	-	-	-	-	
Net Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	
Service charges - refuse revenue	6										
Total refuse removal revenue											
Total landfill revenue											
<i>less Revenue Foregone (in excess of one removal a week to indigent households)</i>											
<i>less Cost of Free Basis Services (removed once a week to indigent households)</i>											
		-	-	-	-	-	-	-	-	-	
Net Service charges - refuse revenue		-	-	-	-	-	-	-	-	-	
Other Revenue by source											
Miscellaneous		309	143	103							
Hall Hire					3	3	3	3	3	3	
Rates Clearance					2	5	5	3	3	3	
Tender Documents					75	55	55	10	11	11	
Sundry Income					5	0	0				
Accumulated Surplus											
Rental											
interest recd											
	3										
Total 'Other' Revenue	1	309	143	103	85	63	63	-	16	17	18
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	9 955	10 785	13 512	15 845	14 750	14 750	15 969	16 927	17 942	
Pension and UIF Contributions		1 484	1 761	2 016	1 958	1 437	1 437	1 372	1 454	1 541	
Medical Aid Contributions					588	793	793	862	914	969	
Overtime						68	68	50	53	56	

Performance Bonus					933	933	933			–	–
Motor Vehicle Allowance		901	898	857	528	822	822		676	717	760
Cellphone Allowance					94	51	51		255	270	286
Housing Allowances					6	36	36		428	454	481
Other benefits and allowances		1 066	1 911	1 269	139	466	466		251	266	282
Payments in lieu of leave											
Long service awards											
Post-retirement benefit obligations	4										
sub-total	5	13 406	15 355	17 655	20 090	19 354	19 354	–	19 862	21 054	22 317
Less: Employees costs capitalised to PPE											
Total Employee related costs	1	13 406	15 355	17 655	20 090	19 354	19 354	–	19 862	21 054	22 317
Contributions recognised - capital											
List contributions by contract											
Total Contributions recognised - capital		–	–	–	–	–	–	–	–	–	–
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		9 609	15 472	11 516	11 979	11 979	11 979		11 746	12 451	13 198
Lease amortisation											
Capital asset impairment											
Depreciation resulting from revaluation of PPE	10										
Total Depreciation & asset impairment	1	9 609	15 472	11 516	11 979	11 979	11 979	–	11 746	12 451	13 198
Bulk purchases											
Electricity Bulk Purchases											
Water Bulk Purchases											
Total bulk purchases	1	–	–	–	–	–	–	–	–	–	–
Transfers and grants											
Cash transfers and grants		–	–	–	–	–	–	–	700	–	–
Non-cash transfers and grants		6 379	7 995	8 140	5 103	5 103	5 103	–	8 000	8 480	8 989
Total transfers and grants	1	6 379	7 995	8 140	5 103	5 103	5 103	–	8 700	8 480	8 989
Contracted services											
Provision for shares services					1 000	1 500	1 500				
Valuation Roll-Maintenance					223	223	223		246	261	276
Service Level Agreement and new modules					1 200	1 635	1 635		1 500	1 590	1 685
SITA WAN Services				44	159	159	159		175	185	197
Security		248			338	338	338		341	361	383
Lease of office equipment			100	649	265	305	305		296	314	333
Cleaning		26			34	21	21		23	24	26
Operating Lease					650	569	569		569	603	639

Vat Review						1 236	1 236			-	-
sub-total	1	273	100	693	3 869	5 986	5 986	-	3 150	3 339	3 539
Allocations to organs of state:											
Electricity											
Water											
Sanitation											
Other											
Total contracted services		273	100	693	3 869	5 986	5 986	-	3 150	3 339	3 539
Other Expenditure By Type											
Collection costs					200	200	200		200	212	225
Contributions to 'other' provisions						-	-			-	-
Consultant fees			451	1 079	1 000	150	150		150	159	169
Audit fees		867	908	1 381	2 000	2 000	2 000		2 365	2 507	2 657
General expenses	3	936	1 487	1 874	10 512	10 832	10 832		200	212	225
Advertising		260	306	237	348	211	211		174	184	195
Bank Charges		102	127	118	116	176	176		88	93	99
Salga subscription and games		-	-			-	-		1 300	1 378	1 461
Computer Expences					265	-	-			-	-
Conferences and Delegations					227	85	85		65	69	73
Refreshments		171	170	206	627	456	456		115	122	129
Fuel					939	939	939		500	530	562
Insurance		292	324	352	1 060	1 060	1 060		750	795	843
Legal Fees		1 811			707	200	200		200	212	225
Printing and Stationery		390	368	296	324	224	224		226	240	254
Projects		8 394	8 665	8 476	21 776	20 583	20 583		8 190	8 681	9 202
Ward Committee Incentives		-	-		680	680	680		880	933	989
Telephone and Fax		349	381	546	270	574	574		300	318	337
Water and Sanitation		22	42	78	53	61	61		67	71	75
Subscription and Membership		441	457	504	6	3	3		11	11	12
Repairs and Maintainance		1 089	407	616	7 544	8 028	8 028		8 065	8 549	9 062
Electricity		174	162	208	223	223	223		246	261	276
Motor Vehicle expences		865	739	739		-	-				
Software Expences		1	81	136		-	-				

Substance, Travel and accommodation		606	607	1 247	2 075	2 115	2 115		1 525	1 617	1 713
Training		317	90	215	233	350	350		600	636	674
Uniforms		–	34	4	46	22	22		26	27	29
Total 'Other' Expenditure	1	17 089	15 807	18 311	51 231	49 170	49 170	–	26 241	27 816	29 485
Repairs and Maintenance by Expenditure Item	8										
Employee related costs											
Other materials											
Contracted Services											
Other Expenditure		1 089	407	616	7 544	8 028	8 028		8 065	8 549	9 062
Total Repairs and Maintenance Expenditure	9	1 089	407	616	7 544	8 028	8 028	–	8 065	8 549	9 062
check		–	–	–	–	–	–		–	–	–

Table 38 MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)

KZN211 Vulamehlo - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Council	Municipal Manager	Budget and Treasury	Corporate services	Technical services	Vote 6 - [NAME OF VOTE 6]	Vote 7 - [NAME OF VOTE 7]	Vote 8 - [NAME OF VOTE 8]	Vote 9 - [NAME OF VOTE 9]	Vote 10 - [NAME OF VOTE 10]	Vote 11 - [NAME OF VOTE 11]	Vote 12 - [NAME OF VOTE 12]	Vote 13 - [NAME OF VOTE 13]	Vote 14 - [NAME OF VOTE 14]	Vote 15 - [NAME OF VOTE 15]	Total
R thousand	1																
Revenue By Source																	
Property rates				2 457													2 457
Property rates - penalties & collection charges				(45)													(45)
Service charges - electricity revenue																	-
Service charges - water revenue																	-
Service charges - sanitation revenue																	-
Service charges - refuse revenue																	-
Service charges - other																	-
Rental of facilities and equipment				12	296												308
Interest earned - external investments				2 000													2 000
Interest earned - outstanding debtors				750													750
Dividends received																	-
Fines																	-
Licences and permits																	-
Agency services																	-
Other revenue				13	3												16
Transfers recognised - operational		9 120	8 048	15 242	21 787	19 253											73 451
Gains on disposal of PPE																	-
Total Revenue (excluding capital transfers and contributions)		9 120	8 048	20 429	22 086	19 253	-	-	-	-	-	-	-	-	-	-	78 937
Expenditure By Type																	
Employee related costs			3 433	3 865	9 056	3 508											19 862
Remuneration of councillors		6 900															6 900
Debt impairment				2 234													2 234
Depreciation & asset impairment				11 746													11 746
Finance charges				-													-
Bulk purchases				-													-
Other materials				-													-
Contracted services		-	2 365	1 650	2 377	-											6 392
Transfers and grants		-	650	200	5 493	9 847											16 190
Other expenditure		2 420	800	610	3 553	8 136											15 519
Loss on disposal of PPE		-	-	-	-	-											-
Total Expenditure		9 320	7 248	20 305	20 479	21 491	-	-	-	-	-	-	-	-	-	-	78 843
Surplus/(Deficit)		(200)	800	124	1 607	(2 237)	-	-	-	-	-	-	-	-	-	-	94
Transfers recognised - capital																	-
Contributions recognised - capital																	-
Contributed assets																	-
Surplus/(Deficit) after capital transfers & contributions		(200)	800	124	1 607	(2 237)	-	-	-	-	-	-	-	-	-	-	94

References

1. Departmental columns to be based on municipal organisation structure
check balance

46 375 838

Table 39 MBRR Table SA3 – Supporting detail to Statement of Financial Position

KZN211 Vulamehlo - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
ASSETS											
Call investment deposits											
Call deposits < 90 days		9 516	8 113	26 139	3 793	34 455	34 455		44 268	46 924	49 739
Other current investments > 90 days											
Total Call investment deposits	2	9 516	8 113	26 139	3 793	34 455	34 455	–	44 268	46 924	49 739
Consumer debtors											
Consumer debtors		2 483 (2)	3 516 (2)	4 224 (2)	5 188 (3)	5 188 (4)	5 188 (4)		6 848 (6)	7 259 (6)	7 695 (7)
Less: Provision for debt impairment		121)	183)	944)	578)	340)	340)		574)	968)	387)
Total Consumer debtors	2	362	1 333	1 280	1 610	848	848	–	274	291	308
Debt impairment provision											
Balance at the beginning of the year		816	2 121	2 183	2 640	2 640	2 640		4 340	4 600	4 876
Contributions to the provision		1 305	62	761	938	1 700	1 700				
Bad debts written off											
Balance at end of year		2 121	2 183	2 944	3 578	4 340	4 340	–	4 340	4 600	4 876
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		184 004	203 250	212 776	266 225	262 059	262 059		308 428	326 933	346 549
Leases recognised as PPE											
Less: Accumulated depreciation		62 048 121	77 134 126	87 567 125	474 165	474 161	100 474		112 220	118 953	126 091
Total Property, plant and equipment (PPE)	2	956	115	209	750	584	161 584	–	196 207	207 980	220 459
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)											
Current portion of long-term liabilities		1 259	760	254	500	500	500				
Total Current liabilities - Borrowing		1 259	760	254	500	500	500	–	–	–	–

Trade and other payables											
Trade and other creditors		4 271	5 163	6 562	5 182	5 182	5 182				
Unspent conditional transfers		10 156	3 113	5 776	3 160	3 160	3 160		5 776	6 123	6 490
VAT				1 004							
Total Trade and other payables	2	14 427	8 276	13 342	8 342	8 342	8 342	–	5 776	6 123	6 490
Non current liabilities - Borrowing											
Borrowing	4										
Finance leases (including PPP asset element)		650	602	784	611	611	611				
Total Non current liabilities - Borrowing		650	602	784	611	611	611	–	–	–	–
Provisions - non-current											
Retirement benefits		364	466	369	473	473	473		501	531	563
List other major provision items											
Refuse landfill site rehabilitation											
Other											
Total Provisions - non-current		364	466	369	473	473	473	–	501	531	563
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance		123 713	123 814	132 680	164 237	194 357	194 357				
GRAP adjustments											
Restated balance		123 713	123 814	132 680	164 237	194 357	194 357	–	–	–	–
Surplus/(Deficit)		4 002	8 553	10 587	26 477	23 222	23 222	–	46 469	50 000	53 000
Appropriations to Reserves											
Transfers from Reserves											
Depreciation offsets								10 317			
Other adjustments											
Accumulated Surplus/(Deficit)	1	127 714	132 367	143 267	190 714	217 579	217 579	10 317	46 469	50 000	53 000
Reserves	-										
Housing Development Fund											
Capital replacement											
Self-insurance											
Other reserves								143 324			
Revaluation		163	163	163	163	163	163		163	163	163
Total Reserves	2	163	163	163	163	163	163	143 324	163	163	163
TOTAL COMMUNITY WEALTH/EQUITY	2	127 878	132 531	143 430	190 878	217 742	217 742	153 641	46 633	50 163	53 163

Table 40 MBRR Table SA9 – Social, economic and demographic statistics and assumptions

KZN211 Vulamehlo - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	2001 Censu s	2007 Survey	2011 Census	2012/13	2013/14	2014/15	Current Year 2015/16	2016/17 Medium Term Revenue & Expenditure Framework		
						Outcom e	Outcome	Outcom e	Original Budget	Outcome	Outcome	Outcom e
<u>Demographics</u>												
Population		Census 2011				83	83	83	83	83	83	83
Females aged 5 - 14		Census 2011				13	13	13	13	13	13	13
Males aged 5 - 14		Census 2011				11	11	11	11	11	11	11
Females aged 15 - 34		Census 2011				15	15	15	15	15	15	15
Males aged 15 - 34		Census 2011				13	13	13	13	13	13	13
Unemployment		Census 2011				55	55	55	55	55	55	55
<u>Monthly household income (no. of households)</u>	1, 12	–										
No income		per Census 2011					4 891	4 891	4 891	4 891	4 891	4 891
R1 - R1 600												
R1 601 - R3 200												
R3 201 - R6 400		per Census 2011 income from R1-R9600					5 610	5 610	5 610	5 610	5 610	5 610
R6 401 - R12 800												
R12 801 - R25 600												
R25 601 - R51 200												
R52 201 - R102 400												
R102 401 - R204 800		per Census income from R9600- R153600					3 740	3 740	3 740	3 740	3 740	3 740
R204 801 - R409 600		per Census income above R153600										
R409 601 - R819 200							144	144	144	144	144	144
> R819 200												

Poverty profiles (no. of households) < R2 060 per household per month	13											
Insert description	2											
Household/demographics (000) Number of people in municipal area		per Census 2011					83	83	83	83	83	83
Number of poor people in municipal area												
Number of households in municipal area		per Census 2011					14	14	14	14	14	14
Number of poor households in municipal area												
Definition of poor household (R per month)												
Housing statistics	3											
Formal		per Census 2011					4	4	4	4	4	4
Informal		per Census 2011					316	316	316	316	316	316
							10	10	10	10	10	10
							069	069	069	069	069	069
Total number of households			-	-	-	-	14	14	14	14	14	14
							385	385	385	385	385	385
Dwellings provided by municipality	4											
Dwellings provided by province/s												
Dwellings provided by private sector	5											
Total new housing dwellings			-	-	-	-	-	-	-	-	-	-
Economic	6											
Inflation/inflation outlook (CPIX)												
Interest rate - borrowing												
Interest rate - investment												
Remuneration increases												
Consumption growth (electricity)												
Consumption growth (water)												
Collection rates	7											
Property tax/service charges												
Rental of facilities & equipment												
Interest - external investments												
Interest - debtors												

Revenue from agency services										
------------------------------	--	--	--	--	--	--	--	--	--	--

Detail on the provision of municipal services for A10

Total municipal services	Ref.		2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
		Household service targets (000)									
		Water:									
		Piped water inside dwelling	–	807 ¹	–	825 ¹	825 ¹	825 ¹	825 ¹	825 ¹	825 ¹
		Piped water inside yard (but not in dwelling)	204	291	–	300 ¹	300 ¹	300 ¹	300 ¹	300 ¹	300 ¹
	8	Using public tap (at least min.service level)	–	–	–	–	–	–	–	–	–
	10	Other water supply (at least min.service level)	8	8	–	8	8	8	8	8	8
		<i>Minimum Service Level and Above sub-total</i>	9	10	–	10	10	10	10	10	10
			096	327	–	125 ⁵	125 ⁵	125 ⁵	125 ⁵	125 ⁵	125 ⁵
	9	Using public tap (< min.service level)	665	808	–	810	810	810	810	810	810
	10	Other water supply (< min.service level)	374	–	–	200	200	200	200	200	200
		No water supply	–	–	–	–	–	–	–	–	–
		<i>Below Minimum Service Level sub-total</i>	7	5	–	6	6	6	6	6	6
			039	808	–	010	010	010	010	010	010
		Total number of households	16	16	–	16	16	16	16	16	16
			135	135	–	135	135	135	135	135	135
		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)	444	452	–	480	480	480	480	480	480
		Flush toilet (with septic tank)	325	323	–	395	395	395	395	395	395
	2	Chemical toilet	857	856	–	875 ²	875 ²	875 ²	875 ²	875 ²	875 ²
	4	Pit toilet (ventilated)	421	421	–	445 ⁴	445 ⁴	445 ⁴	445 ⁴	445 ⁴	445 ⁴
	6	Other toilet provisions (> min.service level)	154	147	–	185 ⁶	185 ⁶	185 ⁶	185 ⁶	185 ⁶	185 ⁶
		<i>Minimum Service Level and Above sub-total</i>	14	14	–	14	14	14	14	14	14
			201	199	–	380	380	380	380	380	380
		Bucket toilet	523	516	–	395	395	395	395	395	395

Other toilet provisions (< min.service level)	716	710	–	685	685	685	685	685	685
No toilet provisions	695	710	–	675	675	675	675	675	675
<i>Below Minimum Service Level sub-total</i>	1	1	–	1	1	1	1	1	1
	934	936	–	755	755	755	755	755	755
Total number of households	16	16	–	16	16	16	16	16	16
<u>Energy:</u>	135	135	–	135	135	135	135	135	135
Electricity (at least min.service level)	–	–	–	–	–	–	–	–	–
Electricity - prepaid (min.service level)	5	6	–	7	7	7	7	7	7
<i>Minimum Service Level and Above sub-total</i>	951	951	–	000	000	000	000	000	000
	5	6	–	7	7	7	7	7	7
	951	951	–	000	000	000	000	000	000
Electricity (< min.service level)	–	–	–	–	–	–	–	–	–
Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–
Other energy sources	10	9	–	9	9	9	9	9	9
	184	184	–	135	135	135	135	135	135
<i>Below Minimum Service Level sub-total</i>	10	9	–	9	9	9	9	9	9
	184	184	–	135	135	135	135	135	135
Total number of households	16	16	–	16	16	16	16	16	16
<u>Refuse:</u>	135	135	–	135	135	135	135	135	135
Removed at least once a week	–	274	–	274	274	274	–	–	–
<i>Minimum Service Level and Above sub-total</i>	–	274	–	274	274	274	–	–	–
Removed less frequently than once a week	–	161	–	161	161	161	161	161	161
Using communal refuse dump	–	412	–	412	412	412	412	412	412
Using own refuse dump	–	12	–	12	12	12	12	12	12
	–	973	–	973	973	973	973	973	973
Other rubbish disposal	–	242	–	242	242	242	242	242	242
No rubbish disposal	–	2	–	2	2	2	2	2	2
	–	073	–	073	073	073	073	073	073
<i>Below Minimum Service Level sub-total</i>	–	15	–	15	15	15	15	15	15
	–	861	–	861	861	861	861	861	861
Total number of households	–	16	–	16	16	16	15	15	15
	–	135	–	135	135	135	861	861	861
Municipal in-house services	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		

	Ref.		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
		Household service targets (000)									
		<u>Water:</u>									
		Piped water inside dwelling		807		825	825	825	825	825	825
		Piped water inside yard (but not in dwelling)	204	291		300	300	300	300	300	300
8		Using public tap (at least min.service level)									
10		Other water supply (at least min.service level)	8	8		8	8	8	8	8	8
		<i>Minimum Service Level and Above sub-total</i>	9	10		10	10	10	10	10	10
			096	327	–	125	125	125	125	125	125
9		Using public tap (< min.service level)	6	5		5	5	5	5	5	5
			665	808		810	810	810	810	810	810
10		Other water supply (< min.service level)									
		No water supply	374			200	200	200	200	200	200
		<i>Below Minimum Service Level sub-total</i>	7	5		6	6	6	6	6	6
			039	808	–	010	010	010	010	010	010
		Total number of households	16	16	–	16	16	16	16	16	16
			135	135		135	135	135	135	135	135
		<u>Sanitation/sewerage:</u>									
		Flush toilet (connected to sewerage)	444	452		480	480	480	480	480	480
		Flush toilet (with septic tank)	325	323		395	395	395	395	395	395
		Chemical toilet	2	2		2	2	2	2	2	2
		Pit toilet (ventilated)	857	856		875	875	875	875	875	875
		Other toilet provisions (> min.service level)	4	4		4	4	4	4	4	4
		<i>Minimum Service Level and Above sub-total</i>	421	421		445	445	445	445	445	445
			6	6		6	6	6	6	6	6
			154	147		185	185	185	185	185	185
		<i>Below Minimum Service Level sub-total</i>	14	14	–	14	14	14	14	14	14
			201	199		380	380	380	380	380	380
		Bucket toilet	523	516		395	395	395	395	395	395
		Other toilet provisions (< min.service level)	716	710		685	685	685	685	685	685
		No toilet provisions	695	710		675	675	675	675	675	675
		<i>Below Minimum Service Level sub-total</i>	1	1	–	1	1	1	1	1	1
			934	936		755	755	755	755	755	755
		Total number of households	16	16	–	16	16	16	16	16	16
			135	135		135	135	135	135	135	135
		<u>Energy:</u>									


Electricity (at least min.service level)	5	6		7	7	7	7	7
Electricity - prepaid (min.service level)	951	951		000	000	000	000	000
<i>Minimum Service Level and Above sub-total</i>	5	6	–	7	7	7	7	7
Electricity (< min.service level)								
Electricity - prepaid (< min. service level)	10	9		9	9	9	9	9
Other energy sources	184	184		135	135	135	135	135
<i>Below Minimum Service Level sub-total</i>	10	9	–	9	9	9	9	9
	184	184		135	135	135	135	135
Total number of households	16	16	–	16	16	16	16	16
<u>Refuse:</u>	135	135		135	135	135	135	135
Removed at least once a week		274		274	274	274		
<i>Minimum Service Level and Above sub-total</i>	–	274	–	274	274	274	–	–
Removed less frequently than once a week		161		161	161	161	161	161
Using communal refuse dump		412		412	412	412	412	412
Using own refuse dump		12		12	12	12	12	12
Other rubbish disposal		242		242	242	242	242	242
No rubbish disposal		2		2	2	2	2	2
		073		073	073	073	073	073

Municipal manager's quality certificate

I M/SI21 HOLLINGSWORTH LULU....., Municipal Manager
of Vulamehlo Municipality, hereby certify that the annual budget and supporting documentation
have been prepared in accordance with the Municipal Finance Management Act and the
regulations made under the Act, and that the annual budget and supporting documents are
consistent with the Integrated Development Plan of the municipality.

Print Name M/SI21 HOLLINGSWORTH LULU

Municipal manager of Vulamehlo Municipality (KZN211)

Signature 

Date 7-06-2016